2020 年報 Annual Report

中國銀行(香港)有限公司
BANK OF CHINA (HONG KONG) LIMITED

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2020 年報

Annual Report 2020

中國銀行(香港)有限公司
BANK OF CHINA (HONG KONG) LIMITED

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董事會報告

董事會同仁謹此提呈本集團截至 2020 年 12 月 31 日止之董事會報告及經審計之綜合財務報表。

主要業務

本銀行為根據香港《銀行業條例》項下所規定獲發牌的持牌銀行。本集團之主要業務為提供銀行及相關之金融服務。本集團於本年度按業務分類的經營狀況分析詳情載於財務報表附註 43。

業績及分配

本集團在本年度之業績載於第 50 頁之綜合收益表。

於 2020 年 8 月 30 日，董事會宣派中期股息每股普通股港幣 0.110 元，總額約為港幣 47.35 億元，並已於 2020 年 9 月 22 日支付。

於 2020 年 12 月 11 日，董事會宣派中期股息每股普通股港幣 0.172 元，總額約為港幣 74.03 億元，並已於 2020 年 12 月 30 日支付。

董事會建議不派發 2020 年度末期股息。

捐款

本集團於年內之慈善及其他捐款總額約為港幣 8 千萬元。

註：此捐款並不包括「中銀香港慈善基金」（下稱「基金」）向外界作出的捐款及贊助。「基金」是在香港註冊的獨立法人，是根據《稅務條例》獲豁免繳稅的慈善機構。

董事會報告（續）

董事

於年內及截至本報告書日期止，本銀行的董事名單如下：

董事長	劉連舸#	
副董事長	孫煜	（自2020年3月20日起獲委任為非執行董事； 自2020年12月23日起調任為執行董事及獲委任為副董事長）
	王江#	（自2020年3月20日起獲委任；自2021年2月5日起辭任）
	高迎欣	（自2020年5月25日起辭任）
董事	林景臻#	
	鄭汝樺*	
	蔡冠深*	
	高銘勝*	
	羅義坤*	
	童偉鶴*	

非執行董事

* 獨立非執行董事

根據組織章程細則第87條，林景臻先生、蔡冠深博士及羅義坤先生的任期會於即將召開的股東週年大會（「2021年股東會」）上屆滿。所有將退任董事願意於即將召開的2021年股東會上重選連任。

截至2020年12月31日止年度本銀行之附屬公司的董事全員名單已保存於本銀行的註冊辦事處。

董事於交易、安排或合約之權益

於本年度內，本銀行、其控股公司、或其任何附屬公司或各同系附屬公司概無就本集團業務訂立任何重大、而任何董事或其有關連實體直接或間接擁有重大權益的交易、安排或合約。

管理合約

於本年度內，本銀行並無就全部或任何重大部分業務的管理及行政工作簽訂或存有任何合約。

股票掛鈎協議

於本年度內及年結日，本銀行並無訂立及存在任何股票掛鈎協議。

獲准許的彌償條文

根據組織章程細則，每名董事可根據香港《公司條例》，對其所引致的全部責任獲本銀行從其資金中撥付彌償。本銀行已為董事購買及續買保險，以便為董事的責任提供本銀行可合法安排的保障。

董事會報告（續）

符合《銀行業（披露）規則》

本年報符合《銀行業條例》項下《銀行業（披露）規則》之有關要求。

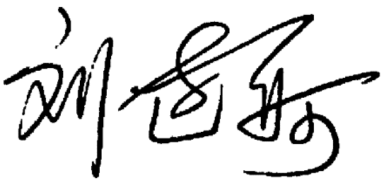
核數師

2020 年度之財務報表乃由安永會計師事務所（「安永」）審計。

安永現時的任期將於 2021 年股東會上屆滿，其亦會退任本銀行的核數師。

董事會於 2020 年 10 月 29 日決議，通過委任羅兵咸永道會計師事務所為本銀行新核數師，以即時填補安永退任後的空缺，任期直至本銀行下一屆股東週年大會結束為止，惟須待本銀行股東於 2021 年股東會批准後，方可作實。

承董事會命



董事長
劉連舸

香港，2021 年 3 月 30 日

Report of the Directors

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

Principal Activities

The Bank is a licensed bank authorised under the Hong Kong Banking Ordinance. The principal activities of the Group are the provision of banking and related financial services. An analysis of the Group's performance for the year by business segments is set out in Note 43 to the Financial Statements.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 50.

On 30 August 2020, the Board declared an interim dividend of HK$0.110 per ordinary share amounting to approximately HK$4,735 million, which was paid on 22 September 2020.

On 11 December 2020, the Board declared an interim dividend of HK$0.172 per ordinary share amounting to approximately HK$7,403 million, which was paid on 30 December 2020.

The Board does not recommend the payment of a final dividend for the year 2020.

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK$80 million.

Note: These donations do not include the donations and sponsorships made by BOCHK Charitable Foundation ("the Foundation"). The Foundation is a separate legal entity established in Hong Kong and is a charitable institution exempt from tax under the Inland Revenue Ordinance.

Report of the Directors (continued)

Directors

The Directors of the Bank during the year and up to the date of this report are:

Chairman	LIU Liange#	
Vice Chairman	SUN Yu	(appointment as Non-executive Director effective from 20 March 2020; re-designation as Executive Director and appointment as Vice Chairman effective from 23 December 2020)
	WANG Jiang#	(appointment effective from 20 March 2020; resignation effective from 5 February 2021)
	GAO Yingxin	(resignation effective from 25 May 2020)
Directors	LIN Jingzhen#	
	CHENG Eva*	
	CHOI Koon Shum*	
	KOH Beng Seng*	
	LAW Yee Kwan Quinn*	
	TUNG Savio Wai-Hok*	

Non-executive Directors

* Independent Non-executive Directors

In accordance with Article 87 of the Articles of Association, the terms of office of Mr LIN Jingzhen, Dr CHOI Koon Shum and Mr LAW Yee Kwan Quinn will expire at the forthcoming annual general meeting (the “2021 AGM”). All the retiring Directors, being eligible, will offer themselves for re-election at the 2021 AGM.

A full list of the names of the directors of the Bank’s subsidiaries during the year ended 31 December 2020 is kept at the Bank’s registered office.

Directors’ Interests in Transactions, Arrangements or Contracts

No transactions, arrangements or contracts of significance, in relation to the Group’s business to which the Bank, its holding companies, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Bank were entered into or existed during the year.

Equity-linked Agreements

No equity-linked agreements were entered into by the Bank during the year or subsisted at the end of the year.

Permitted Indemnity Provision

Pursuant to the Articles of Association, every Director shall be indemnified out of funds of the Bank against all liabilities incurred by him/her to the extent permitted by the Hong Kong Companies Ordinance. The Bank has maintained insurance for the benefit of the Directors against liability which may lawfully be insured by the Bank.

Report of the Directors (continued)

Compliance with the Banking (Disclosure) Rules

This Annual Report complies with the applicable requirements set out in the Banking (Disclosure) Rules under the Banking Ordinance.

Auditor

The financial statements for the year 2020 have been audited by Messrs Ernst & Young ("EY").

EY will retire as auditor of the Bank upon expiration of its current term of office at the 2021 AGM.

On 29 October 2020, the Board resolved to propose the appointment of Messrs PricewaterhouseCoopers as the new auditor of the Bank to fill the vacancy immediately following the retirement of EY and to hold office until the conclusion of the next forthcoming annual general meeting of the Bank, subject to the approval of the shareholders of the Bank at the 2021 AGM.

On behalf of the Board

LIU Liange
Chairman

Hong Kong, 30 March 2021

公司治理

為保障股東、客戶和員工的利益，本銀行致力維持和強化高水準的公司治理。除了全面符合香港有關的法律法規以及金管局、香港證券及期貨事務監察委員會等監管機構的各項規定和指引外，本銀行已遵從由金管局發出的監管政策手冊CG-1「本地註冊認可機構的企業管治」。

為進一步提升公司治理水平，本銀行亦會留意市場趨勢及根據監管機構所發佈的指引及要求，修訂公司治理制度及加強相關措施。

公司治理政策

本銀行認同建立高水平公司治理的重要性，並致力維持有效的公司治理架構以實現本集團的長遠成就。本銀行亦堅定地致力維護及加強良好公司治理的原則及實踐，已建立的良好公司治理架構對本銀行的商業道德操守作出指導及規範，令股東和利益相關者的整體權益得以持續地保障及維護。

公司治理架構

董事會及管理層的職責

董事會作為本銀行治理架構核心，與管理層之間具有明確分工。董事會負責給予管理層高階指引和有效監督，並按明確的董事會職責約章運作，該職責約章列明需經由董事會審議的事項。一般而言，董事會負責：

- 制訂本集團的中長期戰略並監控其執行情況；
- 審批年度業務計劃和財務預算；
- 批准有關年度業績和中期業績；
- 審查及監控本集團的風險管理及內部監控；
- 確保本集團的良好公司治理及有效的合規工作；及
- 監察管理層的工作表現。

年內董事會以現場會議方式召開5次會議。審議及批准的主要議案包括本集團各項戰略、業務計劃、財務預算、業績報告、可持續發展政策、風險管理與內部監控及更換外部核數師等重要事項。董事會亦討論了本銀行為應對新冠肺炎疫情而採取的抗疫措施、疫情對營運及業務的影響、為協助企業渡過經濟困境而推出的金融紓困措施及各項慈善活動成果。除董事會會議外，董事會亦以書面決議方式審批了多項決議案，包括董事和高層管理人員的若干變更，以及可持續發展委員會的治理。相關說明資料連同書面決議案一併發送予董事，讓其了解需要審議的事項，並作出知情的決定。

年內，董事會已審議及批准就最新的法規要求而對相關公司治理政策及程序所作出的修訂。董事會亦已審閱載於2019年報內公司治理報告的披露。

董事有權為履行他們作為董事的職責而尋求所需的獨立專業意見，費用由本集團承擔。公司秘書會於董事需尋求該等獨立專業意見時作出所需的安排。

董事會特別授權管理層執行已確定的策略方針，由其負責本集團日常營運並向董事會報告。為此，董事會訂立了清晰的書面指引，特別明確管理層應向董事會匯報的各種情況，以及管理層應取得董事會批准後才可以代表本集團作出的各種決定或訂立的各種承諾等。董事會將對這些授權和指引進行定期重檢。

公司治理（續）

公司治理架構（續）

主席及行政總裁的角色

為避免使權力集中於一位人士，本銀行董事長及總裁分別由兩人擔任，兩者之間分工明確並已在董事會的職責約章中作出明文規定。

董事長負責確保董事會適當地履行其職能，貫徹良好公司治理常規及程序。此外，作為董事會的主席，董事長亦負責確保所有董事均適當知悉當前的事項，及時得到充分、完備、可靠的信息。

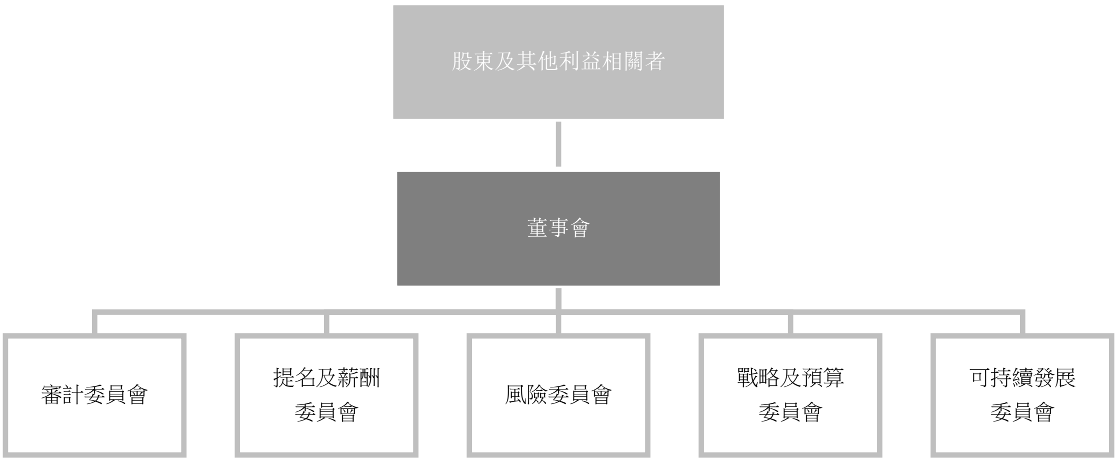
總裁負責領導整個管理層，推行董事會所採納的重要策略及發展戰略。管理委員會在總裁的領導下對本集團日常營運進行管理，貫徹業務發展策略及實現本集團的長遠目標和戰略。

董事會附屬委員會

在考慮最新監管要求、指引，以及業界做法和國際最佳慣例，董事會設有五個常設附屬委員會－審計委員會、提名及薪酬委員會、風險委員會、戰略及預算委員會和可持續發展委員會，負責協助董事會履行其職責。

各附屬委員會均具有清晰界定的職責約章，並就其職權範圍內的有關事項向董事會提出意見，或在適當情況下按轉授權作出決定。所有附屬委員會均獲指派專業秘書部門，以確保有關委員會備有足夠資源，有效地及恰當地履行其職責。所有附屬委員會盡可能採用與董事會相同的治理流程，並定期向董事會報告其決策及建議。董事會及附屬委員會亦有參與各專業秘書部門的年度考核工作，以保證及提升各專業秘書部門的服務質量和向董事會及附屬委員會提供充分及高效率的支援服務。此外，根據其職責約章的規定，董事會及各附屬委員會亦會每年評估及審查其工作程序及有效性，以確定須予改進的地方。

有關本銀行的公司治理架構可以參見下圖：



有關本銀行董事會所採用的公司治理原則和架構、董事會及各附屬委員會的組成及其職責約章、公司治理政策及信息披露政策等信息，在本銀行的網址www.bochk.com 中「有關我們」的「公司治理」一節內均有詳細列載。

公司治理（續）

董事會

董事會的組成及任期

於本年報日期，董事會由8名董事組成，其中包括1名執行董事、2名非執行董事及5名獨立非執行董事。董事會維持了合適的制衡，以保證董事會決策的獨立、客觀及對管理層實行公正的監督。董事會誠實、善意地行事，並按照本集團的最佳利益客觀地作出決策，以盡力實現股東的長遠及最大價值並切實履行對本集團其他利益相關者的企業責任。

孫煜先生(i)自2020年3月20日起獲委任為非執行董事和風險委員會委員；及(ii)自2020年12月23日起由非執行董事調任為執行董事，並獲委任為副董事長兼總裁、戰略及預算委員會和可持續發展委員會委員，以及不再擔任風險委員會委員。王江先生自2020年3月20日起獲委任為副董事長、非執行董事、提名及薪酬委員會和戰略及預算委員會委員，並自2021年2月5日起辭任所有前述職位。高迎欣先生自2020年5月25日起辭任執行董事、副董事長兼總裁、戰略及預算委員會和可持續發展委員會委員。除上述披露者外，於本年度及截至本年報日期止，並無其他董事會及附屬委員會的成員變動。

本銀行所有非執行董事和獨立非執行董事均有固定任期約為3年，並獲發正式聘書以訂明其委任的主要條款及條件。根據本銀行組織章程細則(「組織章程細則」)第87條規定，林景臻先生、蔡冠深博士及羅義坤先生會於即將召開的股東週年大會上告退並願意重選連任。

關於董事重選的進一步詳情列載於「董事會報告」部分。此外，本銀行亦已制定一套關於委任獨立非執行董事的書面及正式制度，以確保委任程序的規範化、全面性及透明度。

董事會成員的遴選及提名

本銀行設有董事會成員提名的相關政策。提名及薪酬委員會在綜合考慮董事會現有人員狀況及本集團業務需求的基礎上，遵循董事會成員多元化、董事獨立性以及其他相關監管和政策要求，負責董事會成員物色、遴選及提名事宜。

本銀行認同董事會成員多元化的重要性及裨益。為提升董事會效益及公司治理水平，物色適當及合資格人選為董事會成員時，本銀行採用《董事會成員多元化政策》。以上政策規定了在設計董事會的構成時應該從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、地區、專業經驗、技能、知識及往績等，確保成員整體上具備多樣化的技巧、背景及觀點。同時，董事會成員的提名及委任將以董事會整體運作所需的技能和經驗為本，用人唯才為原則，在選舉新的董事會成員時充分考慮前述各項董事會成員多元化因素。

本銀行執行董事潛在人選可在高層管理人員中發掘與選拔，獨立非執行董事人選可於全球甄選。根據組織章程細則及相關法例的規定，股東亦可於股東大會上提名任何人士（退任董事除外）參選為董事（包括非執行董事）。在有需要的情況下，提名及薪酬委員會可聘請外部顧問協助招聘合適人選的工作。提名及薪酬委員會在評估董事會成員人選時將參考多項因素，其中包括：

- 董事會成員多元化；
- 候選人信譽；
- 候選人的專業知識及行業經驗；
- 候選人能否承擔投放足夠時間履行作為董事會成員的職責；及
- 就獨立非執行董事的候選人而言，符合金管局《提升香港銀行業獨立非執行董事的專業能力》指引(「該指引」)及本銀行《董事獨立性政策》載列的獨立性要求。

提名及薪酬委員會根據甄選條件評選候選人，視情況召開會議進行討論及安排與候選人會面，並向董事會提出推薦意見。董事的委任最終由董事會及／或股東於股東大會審批。

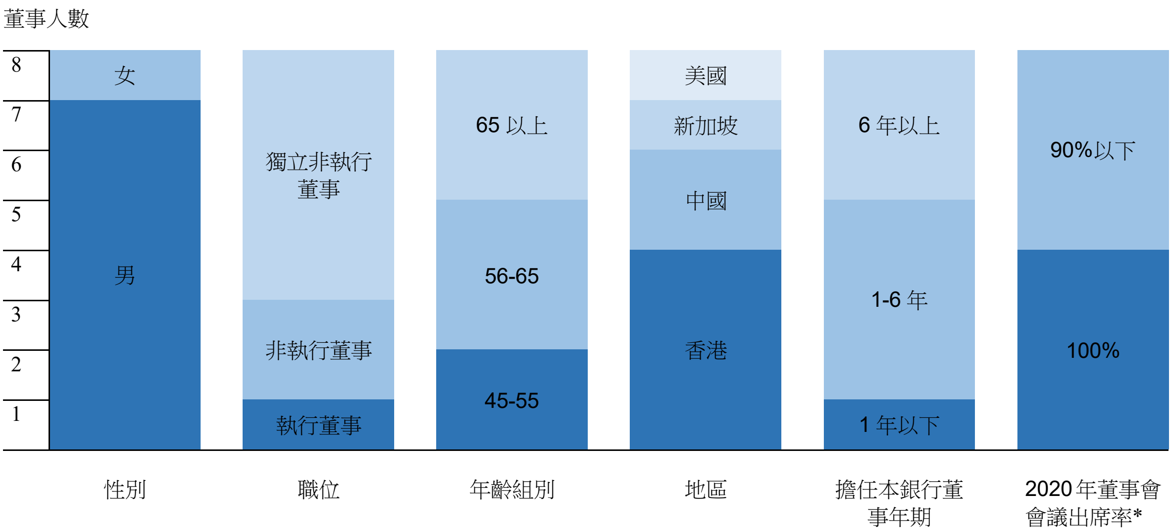
對於本銀行2020年內委任的新董事會成員，以及在本銀行2020年股東週年大會退任並膺選連任的董事會成員，提名及薪酬委員會已根據本銀行有關提名董事會成員的政策所載的甄選條件及(如適用)該指引的相關規定審閱彼等的履歷詳情，並認為彼等具備所需的品格、誠信以及專業知識和經驗，以履行其職責及為本銀行及董事會的多元化作出貢獻。

公司治理（續）

董事會（續）

目前董事會成員中，所有董事均擁有廣泛的銀行業和／或管理經驗。此外，獨立非執行董事的佔比超過董事會成員的三分之一，並具有銀行及金融行業背景的經驗、以及戰略發展和風險管理專長。本銀行已收到各獨立非執行董事根據本銀行《董事獨立性政策》而作出的年度確認書。基於所掌握的資料，本銀行確認所有獨立非執行董事的獨立身分。高銘勝先生及童偉鶴先生服務本銀行董事會超過9年，憑藉他們在企業戰略、銀行營運、風險管理、公司治理及金融財務（各方面均與本集團業務相關）的專業知識及豐富經驗，一直以來為本銀行給予寶貴指導並作出重大貢獻。鑒於高先生及童先生在任期內持續表現充分的獨立判斷能力並對管理層作出有效監督，彼等的服務年期並無影響其獨立性。除此之外，所有董事已向本銀行披露其重大承擔，並承諾及確認其有能力對本銀行的事務投入充足的時間。董事會成員專業經驗、技能及知識的資料，於本銀行網頁www.bochk.com中「有關我們」的「組織架構」一節內詳細列載。

於本年報日期，董事會的組成分析如下：



* 王江先生及高迎欣先生分別自2021年2月5日及2020年5月25日辭任董事職務，其出席率並無包括在內。

公司治理（續）

董事會（續）

劉連舸先生及林景臻先生乃中國銀行執行董事。年內，王江先生曾為中國銀行的執行董事，孫煜先生曾為中國銀行的副行長（直至2020年12月23日起辭任）。除上述披露者外，董事會成員之間並無任何關係，包括財務、業務、家屬或其他重大的關係。

另外，本銀行《處理董事利益衝突政策》中已明確規定，除非有關法律或監管規則允許，否則若有大股東或董事在董事會將予考慮的議題中存在利益衝突，應就該議題舉行董事會會議，而在交易中沒有重大利益的獨立非執行董事應出席該次董事會會議，並就該議題提出專業意見以作進一步審議及審批。

董事責任保險

本銀行於年內已為各董事購買適當的董事責任保險，以保障其因企業行為而引起的賠償責任，本銀行均會為該保險的保額及保障範圍進行年度檢討。

董事會自我評估

年內，根據《董事會自我評估及董事個人評估管理辦法》，董事會已進行年度自我評估。有關評估問卷經提名及薪酬委員會同意後發送予各董事。基於填寫完畢的問卷，本銀行進行了分析並編製報告，載有相關結果及建議的報告已提呈董事會審閱。

董事個人工作表現評估

年內，本銀行聘請了外部專業顧問就董事個人工作表現進行獨立評估。相關問卷發送給各位董事供其填寫。問卷內容涵蓋董事自我評估的各個範疇，包括董事投入時間和參與；與高層管理人員之間的互動和溝通；對董事會及董事會附屬委員會其他成員的評價；及其他影響董事工作表現的因素。基於填寫完畢的問卷以及其他獲提供的信息，外部專業顧問對董事個人工作表現進行評估並編製報告，載有其主要觀察及建議。該報告已提呈董事會審閱及跟進。

董事培訓及專業發展

為確保新委任董事對本銀行的業務運作有充分了解及確保所有董事能定期更新其知識，以便向本銀行提供具有充分依據的建議及意見並作出貢獻，董事會據此制訂了一套關於董事入職介紹的指引及董事持續培訓的書面制度。

本銀行透過入職手冊、面談及其他方式，並按董事的個別需要，安排合適的董事入職介紹，內容包括及不限於：

- 管治架構；
- 董事會常規議程；
- 公司治理的監管要求；
- 監管機構的關注重點；及
- 業務經營、發展計劃及內部監控重點。

公司治理（續）

董事會（續）

本銀行亦適時向各董事會成員提供關於影響董事及本集團的相關監管條例的重大修訂；以及定期安排董事會成員與管理層會面，以加深董事會成員對本銀行最新業務發展情況的了解。此外，本銀行鼓勵各董事會成員積極參與持續培訓課程。本銀行亦會適時安排各項相關的專業培訓課程予各董事會成員參加，有關費用一概由中銀香港（控股）負責。

年內，全體董事均已參與持續專業發展以擴展並更新其知識及技能。於2020年，本銀行特別邀請專家為董事及高層管理人員舉行題為「董事會在環境、社會及管治（ESG）的領導及監督角色」的講座，討論本地及海外ESG發展新趨勢、同業領先實踐及ESG提升建議等範疇。

此外，各董事亦有參與其認為合適的一系列培訓。年內，董事出席了不同講座及工作坊，並自本銀行、監管機構及專業服務公司獲取培訓材料，內容涵蓋多個範疇：

- 綠色及可持續銀行；
- 提升未來銀行業人才的專業能力；
- 反洗錢；
- 反貪腐；
- ESG報告及披露；
- 風險管理及內部監控；
- 公司治理；
- 銀行業發展趨勢；及
- 大灣區金融科技發展等。

董事的年度培訓記錄亦已載入由本銀行備存及不時更新的董事培訓記錄的登記冊中。於年底時，本銀行全體董事曾參與持續專業發展的情況概述如下：

董事[註]	公司治理/ESG最新發展/最新監管規定	風險管理及內部監控	銀行業發展趨勢
非執行董事			
劉連舸先生	✓	✓	✓
林景臻先生	✓	✓	✓
王　江先生 *（自2021年2月5日起辭任）*	✓	✓	✓
獨立非執行董事			
鄭汝樺女士	✓	✓	✓
蔡冠深博士	✓	✓	✓
高銘勝先生	✓	✓	✓
羅義坤先生	✓	✓	✓
童偉鶴先生	✓	✓	✓
執行董事			
孫　煜先生 *（自2020年12月23日起調任為執行董事）*	✓	✓	✓

註：高迎欣先生已於年內辭任，其培訓記錄並無包括在內。於本年度及截至本年報日期期間的董事變動詳情，請參閱有關「董事會」的「董事會的組成及任期」段落。

公司治理（續）

董事會（續）

董事出席董事會及董事會附屬委員會會議情況

董事會於2020年內共召開5次會議，會議平均出席率達87%。全年常規會議召開日期及時間安排已於上一年度擬定通過。會議正式通知在常規會議預定日期至少14天前發出予各董事會成員，而高質的會議材料連同會議議程在會議預定日期至少7天前送達全體董事會成員審閱。每次會議議程內容均在事前諮詢各董事會成員及高層管理人員意見後，經董事長確認而制訂。高層管理人員定期獲邀出席董事會會議，以向董事作出匯報並回應提問。董事會會議結束後，會議紀錄的初稿及最終稿會於合理時間內發送予所有董事，分別供董事表達意見及作紀錄之用。

董事會亦會每月收到報告，當中載列本集團最新財務及營運表現的資料。據此，董事能夠在整個年度對本集團的表現、財務狀況及前景作平衡的評估。此外，董事定期收到專題報告，載列有關本銀行應對新冠肺炎疫情而採取的抗疫措施、向客戶提供的專業服務及產品、積極參與抗疫慈善活動的詳情以及東南亞機構的抗疫支援工作。

此外，為便於獨立非執行董事之間公開坦誠的討論，董事長與所有獨立非執行董事進行會面，而其他董事及高層管理人員須避席。有關做法已形成制度並列入董事會的工作規則內。

各位董事於2020年出席董事會及附屬委員會會議的詳情如下：

	董事出席會議次數／任期內舉行會議次數					
		董事會附屬委員會				
董事	**董事會**	**審計委員會**	**提名及薪酬委員會**	**風險委員會**	**戰略及預算委員會**	**可持續發展委員會**
於年內舉行會議次數	5	5	2	4	4	2
非執行董事						
劉連舸先生*（董事長）*	4/5	–	–	–	3/4	–
林景臻先生	4/5	–	–	–	3/4	–
王　江先生 *（自2021年2月5日起辭任）*	3/5	–	2/2	–	3/4	–
獨立非執行董事						
鄭汝樺女士	5/5	5/5	–	–	4/4	2/2
蔡冠深博士	4/5	–	2/2	–	3/4	2/2
高銘勝先生	5/5	5/5	2/2	4/4	–	2/2
羅義坤先生	5/5	5/5	–	4/4	–	2/2
童偉鶴先生	5/5	5/5	2/2	4/4	4/4	2/2
執行董事						
孫　煜先生*（副董事長兼總裁）*[註]	4/5	–	–	3/4	–	–
高迎欣先生 *（自2020年5月25日起辭任）*	2/2	–	–	–	1/1	–
平均出席率	87%	100%	100%	94%	83%	100%

註：孫煜先生(i)自2020年3月20日起獲委任為非執行董事和風險委員會委員；及(ii)自2020年12月23日起由非執行董事調任為執行董事，並獲委任為副董事長兼總裁、戰略及預算委員會和可持續發展委員會委員，以及不再擔任風險委員會委員。

公司治理（續）

董事會（續）

除正式董事會會議外，本銀行建立獨立非執行董事預溝通會制度，於每次董事會會議之前，專門就各項重要議題向獨立非執行董事作出報告，並將其意見及時反饋給管理層跟進，以提升董事會議決過程的效益。

在新冠肺炎疫情爆發前，本銀行會安排非正式活動以便加強董事會及高層管理人員之間的溝通及交流。例如，本銀行不時舉行工作餐會，並邀請董事會成員及高層管理人員參與，就本銀行的業務及策略問題互相交流。本銀行亦會為董事（尤其是獨立非執行董事）舉辦外訪交流活動，以促進董事對本銀行區域業務及運作的了解，並加強與高層管理人員之間的溝通。視乎最新疫情發展，若干活動可能會於2021年復辦。

董事會附屬委員會

審計委員會

審計委員會現時由4名委員組成，均為獨立非執行董事，其成員、主要職責及於年內的主要工作如下：

成員	主要職責
童偉鶴先生（主席） 鄭汝樺女士 高銘勝先生 羅義坤先生	• 財務報告的真實性和財務報告程序 • 監察風險管理及內部監控系統 • 內部審計職能的有效性及集團審計總經理的績效評估 • 外部核數師的聘任、資格及獨立性的審查和工作表現的評估，及（如獲董事會及股東大會上股東的授權）酬金的釐定 • 本銀行及本集團財務報表的定期審閱和年度審計 • 遵循有關會計準則及法律和監管規定中有關財務資訊披露的要求 • 本集團的公司治理架構及實施 **於年內的主要工作（包括審議及（如適用）審批）** • 本銀行截至2019年12月31日止年度的財務報表，並建議董事會通過 • 本銀行截至2020年6月30日止6個月的中期財務報表，並建議董事會通過 • 由外部核數師提交的審計報告及內部控制建議書、內部審計的審計報告和監管機構的現場審查報告 • 外部核數師聘任的建議、支付予外部核數師的年度審計費用、審閱中期報表的費用及其他非審計服務費用 • 本集團下年度的內部審計工作計劃，以及所認定的重點範疇 • 內部審計部門的組織架構、人力資源安排及薪酬水平、該部門下年度的費用預算 • 內部審計功能有效性的年度評估 • 集團審計總經理及集團審計的2019年度績效評估及下年度主要績效考核指標 • 本集團風險管理及內部監控系統有效性的年度檢討 • 《外部核數師管理政策》、《員工內部舉報管理政策》及《內部審計約章》的年度重檢

公司治理（續）

董事會附屬委員會（續）

提名及薪酬委員會

提名及薪酬委員會現時由3名委員組成，均為獨立非執行董事，其成員、主要職責及於年內的主要工作如下：

成員	主要職責
蔡冠深博士（主席） 高銘勝先生 童偉鶴先生	• 審議本集團的人力資源整體戰略 • 董事、董事會附屬委員會成員及高級管理人員的篩選和提名 • 定期審議和監控董事會和董事會附屬委員會的結構、規模及組成（包括但不限於性別、年齡、文化及教育背景、種族、地區、專業經驗、技能、知識及往績等） • 審議董事會及董事會附屬委員會的有效性 • 確保董事及高級管理人員參與培訓及持續專業發展 • 審議並就本集團的薪酬策略及激勵框架提出建議 • 制定董事、董事會附屬委員會成員、高級管理人員及主要人員的薪酬 **於年內的主要工作（包括審批、審議並向董事會建議）** • 有關董事及董事會附屬委員會成員的委任及變更事宜 • 有關執行董事及高級管理人員的任免及薪酬事宜 • 執行董事及高級管理人員2019年度的績效考核結果 • 本集團（含高級管理人員）2019年度花紅發放方案及2020年度薪酬調整方案 • 2021年度本集團及高級管理人員的績效考核指標 • 2021年度本集團人事費用預算方案 • 統籌協調年度董事會、附屬委員會及董事個人工作表現評估 • 重要人力資源及薪酬政策的年度重檢 • 《董事獨立性政策》及《董事薪酬政策》的年度重檢

公司治理（續）

董事會附屬委員會（續）

風險委員會

風險委員會現時由3名委員組成，均為獨立非執行董事，其成員、主要職責及於年內的主要工作如下：

成員	主要職責
高銘勝先生（主席） 羅義坤先生 童偉鶴先生	• 建立本集團的風險偏好和風險管理戰略，確定本集團的風險組合狀況 • 識別、評估、管理本集團不同業務單位面臨的重大風險 • 審查和評估本集團風險管理政策、制度和內部監控的充分性及有效性 • 審視及監察本集團資本金管理 • 審查和批准本集團目標資產負債表 • 審查及監控本集團對風險管理政策、制度及內部監控的遵守情況，包括本集團在開展業務時是否符合審慎、合法及合規的要求 • 審查和批准本集團高層次的風險管理相關政策 • 審查和批准重大的或高風險的風險承擔或交易 • 審閱風險管理報告，包括風險暴露報告、模型開發及驗證報告、信貸風險模型表現報告 **於年內的主要工作** • 重檢及審批本集團主要風險管理政策，包括本集團風險偏好、風險管理政策陳述、資本管理政策、壓力測試政策，以及信貸風險、市場風險、流動資金風險、利率風險、操作風險、法律風險、合規風險、科技風險、策略風險和信譽風險等政策 • 審批本集團恢復計劃及浮薪資源總額管理機制風險調節方法的年度重檢、本集團風險調節得分、信貸資產減值準備方法修訂建議 • 審批本集團經營計劃，包括本集團目標資產負債表、投資計劃及投資組合主要風險監控指標、以及風險管理限額 • 審閱風險管理報告，包括本集團風險管理報告、機構性洗錢風險評估報告、持續業務運作管理及新冠肺炎疫情應對方案、本集團信貸風險暴露和資產質量情況報告、資訊科技及網路安全防範工作報告、人工智能及大數據應用管理報告、外判業務管理報告、欺詐風險管理報告、信貸風險及市場風險模型驗證報告、信貸風險模型表現報告等

公司治理（續）

董事會附屬委員會（續）

戰略及預算委員會

戰略及預算委員會現時由6名委員組成，其中包括2名非執行董事，3名獨立非執行董事，以及本銀行執行董事兼總裁，其成員、主要職責及於年內的主要工作如下：

成員	主要職責
劉連舸先生[1]（主席） 孫　煜先生[2] 林景臻先生[1] 鄭汝樺女士[3] 蔡冠深博士[3] 童偉鶴先生[3]	• 審議本集團的中長期戰略計劃，報董事會批准 • 監控本集團中長期戰略實施情況，向管理層提供方向性的戰略指引 • 審議本集團主要投資、資本性支出和戰略性承諾，並向董事會提出建議 • 審議及監控本集團定期╱週期性（包括年度）業務計劃 • 審查年度預算，報董事會批准，並監控預算目標的執行表現 **於年內的主要工作** • 審議本集團向東南亞機構注資的建議，並提交董事會審批 • 聽取並討論本集團應對利率基準改革的計劃 • 聽取並討論本集團附屬公司的經營情況，產品及營銷計劃，及下階段發展路線圖 • 聽取並討論本集團數字化轉型規劃，創新變革工程內容，及重點項目執行進展情況 • 審議及監控本集團2020年度財務預算和業務規劃的執行情況，並審議及向董事會推薦管理層提交的本集團2021年度財務預算和業務規劃

註：
1. 非執行董事
2. 執行董事，自2020年12月23日起獲委任為戰略及預算委員會委員
3. 獨立非執行董事

可持續發展委員會

可持續發展委員會現時由6名委員組成，其中包括5名獨立非執行董事，以及本銀行執行董事兼總裁，其成員、主要職責及於年內的主要工作如下：

成員	主要職責
鄭汝樺女士[1]（主席） 孫　煜先生[2] 蔡冠深博士[1] 高銘勝先生[1] 羅義坤先生[1] 童偉鶴先生[1]	• 審議本集團的可持續發展策略、目標及優次，以及可持續發展相關重要政策 • 審議對本集團重要的環境、社會及管治議題及相關舉措 • 監督本集團可持續發展的表現 • 監督本集團的企業文化及審議相關政策 **於年內的主要工作** • 監督本集團可持續發展戰略制定及落實情況 • 監督本集團可持續發展重要性議題的評估機制及相關工作進展 • 審議本集團可持續發展相關政策，包括《可持續發展政策》，並提交董事會審批 • 審閱各類可持續發展相關報告，包括《企業文化建設情況報告》、《員工行為守則年度重檢報告》 • 監察及審視本集團可持續發展的各項相關措施

註：
1. 獨立非執行董事
2. 執行董事，自2020年12月23日起獲委任為可持續發展委員會委員

公司治理（續）

董事的證券交易

中銀香港（控股）已制定並實施一套《董事證券交易守則》以規範董事就中國銀行、中銀航空租賃有限公司（中國銀行的附屬公司）、中銀國際證券股份有限公司（中國銀行的聯營企業）及中銀香港（控股）證券的交易事項。經中銀香港（控股）向所有董事作出特定查詢後，彼等均已確認其於2020年度內嚴格遵守前述內部守則及上市規則附錄十《上市發行人董事進行證券交易的標準守則》有關條款的規定。

董事薪酬

根據本銀行採納的《董事薪酬政策》，提名及薪酬委員會在建議董事的袍金水平時，須參考同類型業務或規模公司的袍金水平，及董事會和董事會附屬委員會擔任的職務（主席或委員）、工作性質及工作量（包括會議次數及議程內容），以達到合理的補償水平，並定期結合市場情況、監管要求及通貨膨脹等因素檢討董事薪酬。任何董事均不得參與釐定其個人的薪酬待遇。獨立非執行董事的薪酬非與本銀行的業績掛鈎。各董事於2020年度的具體薪酬資料已詳列於財務報表附註19。就董事於2020年度為本銀行提供服務而已付或其應收的董事袍金（包括擔任董事會附屬委員會成員的額外酬金）列載如下：

董事會：	
所有董事	每年港幣400,000元
董事會附屬委員會：	
主席	每年港幣100,000元
其他委員會成員	每年港幣50,000元

註：　截至2020年12月31日止年度，全部非執行董事（不包括獨立非執行董事）及執行董事均沒有收取上述董事袍金。

提名及薪酬委員會亦已獲得董事會授權處理有關職責，負責釐定個別執行董事、高級管理人員的薪酬待遇，包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償、遞延浮薪的提早發放）、按表現而釐定的薪酬部分；並向董事會建議有關人員的入職薪酬、簽約酬金、合約保證花紅等。

薪酬及激勵機制

本集團的薪酬及激勵機制按「有效激勵」及「穩健薪酬管理」的原則，將薪酬與績效及風險因素緊密掛鈎，在鼓勵員工提高績效的同時，也加強員工的風險意識，實現穩健的薪酬管理。

本集團的薪酬及激勵政策已符合金管局《穩健的薪酬制度指引》訂明的總體原則，並適用於本銀行及其所有附屬機構（包括香港地區及以外的分支機構）。

- **「高級管理人員」及「主要人員」**

  本集團的薪酬及激勵政策界定「高級管理人員」及「主要人員」如下：

  - 「高級管理人員」：董事會指定的高級管理人員，負責總體策略或重要業務，包括總裁、副總裁、財務總監、風險總監、營運總監、董事會秘書以及集團審計總經理。

  - 「主要人員」：個人業務活動涉及重大風險承擔，對風險暴露有重大影響，或個人職責對風險管理有直接、重大影響，或對盈利有直接影響的人員，包括業務盈利規模較大的單位主管、本集團主要附屬公司第一責任人、東南亞機構高職人員、交易主管，以及對風險管理有直接影響的職能單位第一責任人。

公司治理（續）

薪酬及激勵機制（續）

- **薪酬政策的決策過程**

為體現上述原則，並確保本集團的薪酬政策能促進有效的風險管理，本集團層面的薪酬政策由人力資源部主責提出建議，並由風險管理、財務管理及合規等風險監控職能單位提供意見，以平衡員工激勵、穩健薪酬管理及審慎風險管理的需要。薪酬政策建議報管理委員會同意後，提呈提名及薪酬委員會審閱，並報董事會審批。提名及薪酬委員會及董事會視實際需要徵詢董事會其他轄下委員會（如風險委員會、審計委員會等）的意見。

- **薪酬及激勵機制的主要特色**

1. *績效管理機制*

本集團的績效管理機制對集團層面、單位層面及個人層面的績效管理作出規範。本集團年度目標在平衡計分卡的框架下，向下層分解，從財務、客戶、基礎建設／重點工作、人員、風險管理及合規等維度對高級管理人員及不同單位（包括業務單位、風險監控職能單位及其他單位）的績效表現作出評核。對於各級員工，透過績效管理機制，將本集團年度目標與各崗位的要求連結，並以員工完成工作指標、對所屬單位績效的影響、履行本職工作風險管理責任及合規守紀、踐行集團企業文化的行為表現等作為評定個人表現的主要依據，既量度工作成果，亦注重工作過程中展現與價值觀相符的行為及充足的風險管理，確保本集團穩健經營並得以持續發展。

2. *薪酬的風險調節*

為落實績效及薪酬與風險掛鈎的原則，本集團根據《風險調節方法》，把本銀行涉及的主要風險調節因素結合到本集團的績效考核機制中。《風險調節方法》以信貸風險、市場風險、利率風險、流動性風險、操作風險、法律風險、合規風險和信譽風險作為衡量指標的框架。本集團的花紅資源總額按經董事會審批的風險調節後的績效結果計算，並由董事會酌情決定，以確保本集團花紅資源總額是在充分考慮本集團的風險概況及變化情況後決定，從而使薪酬制度貫徹有效的風險管理。

3. *以績效為本、與風險掛鈎的薪酬管理*

員工的薪酬由「固定薪酬」和「浮動薪酬」兩部分組成。固薪和浮薪的比重在達致適度平衡的前提下，因應員工職級、角色、責任及職能而釐定。一般而言，員工職級愈高及／或責任愈大，浮薪佔總薪酬的比例愈大，以體現本集團鼓勵員工履行審慎的風險管理及落實長期財務的穩定性的理念。

每年本集團將結合薪酬策略、市場薪酬趨勢、員工薪金水平等因素，並根據本集團的支付能力及集團、單位和員工的績效表現，定期重檢員工的固薪。如前所述，量度績效表現的因素，包括定量和定性的，也包括財務及非財務指標。

按《中銀香港集團花紅資源總額管理政策》的相關規定，董事會主要根據本集團的財務績效表現、與集團長期發展相關的非財務戰略性指標的完成情況，結合風險因素等作充分考慮後，審批集團花紅資源總額。除按有關規定的公式計算外，董事會可根據實際情況對本集團的花紅資源總額作酌情調整。在集團業績表現較遜色時（如未達至集團績效的門檻條件），原則上不發當年花紅，惟董事會仍有權視實際情況作酌情處理。

在單位及員工層面方面，浮薪分配與單位及個人績效緊密掛鈎，有關績效的量度須包含風險調節因素。風險控制職能單位人員的績效及薪酬評定基於其核心職能目標的完成情況，獨立於所監控的業務範圍；對於前線單位的風險控制人員，則透過跨單位的匯報及考核機制確保其績效薪酬的合適性。在本集團可接受的風險水平以內，單位的績效愈好及員工的工作表現愈優秀，員工獲得的浮薪愈高。員工的浮薪分配亦會充分考慮個人行為表現，對正面、能彰顯集團企業文化的行為，浮薪將予以傾斜；對未符企業文化的負面或違規行為，浮薪將予以取消或扣減。

公司治理（續）

薪酬及激勵機制（續）

4. *浮薪發放與風險期掛鈎，體現本集團的長遠價值創造*

為實現薪酬與風險期掛鈎的原則，使相關風險及其影響可在實際發放薪酬之前有足夠時間予以充分確定，員工的浮薪在達到遞延發放的門檻條件下，按規定，以現金形式作遞延發放。就遞延發放的安排，本集團採取遞進的模式，員工工作涉及風險期愈長、浮薪水平愈高的崗位，遞延浮薪的比例愈大。遞延的年期為3年。

遞延浮薪的歸屬與本集團長遠價值創造相連結，其歸屬條件與本集團未來3年的年度績效表現以及員工個人行為緊密掛鈎。每年在本集團績效達到門檻條件的情況下，員工按遞延浮薪的歸屬比例歸屬當年的遞延浮薪。若員工在浮薪遞延期間被發現曾有欺詐行為、任何評定績效表現或浮薪所涉及的財務性或非財務性因素其後被發現明顯遜於當年評估結果、因個人行為或管理模式對其所在單位乃至集團造成負面影響，包括但不限於不適當或不充分的風險管理、因管理不善導致發生重大案件並造成重大經濟損失等情況，本集團將取消員工未歸屬的遞延浮薪，不予發放。

- **薪酬政策的年度重檢**

本集團的薪酬政策結合外部監管要求、市場情況、組織架構調整和風險管理要求等變化作年度重檢。因應組織架構調整及崗位設置等變化情況，本集團重檢了《中銀香港集團薪酬及激勵政策》中「高級管理人員」、「主要人員」等的崗位清單。

- **外部薪酬顧問**

為確保薪酬激勵機制的合適性，保持薪酬的市場競爭力，本集團曾就高級管理人員和關鍵崗位的薪酬管理事宜以及市場薪酬數據等諮詢韋萊韜悅及McLagan的獨立意見。

- **薪酬披露**

本集團已完全遵照金管局《穩健的薪酬制度指引》第三部分要求，披露本集團薪酬及激勵機制的相關資訊。

外部核數師

根據審計委員會的建議，董事會將向股東建議於本銀行2021年股東週年大會上委任羅兵咸永道會計師事務所為本銀行新任核數師；倘獲股東授權，董事會將授權審計委員會釐定羅兵咸永道會計師事務所的酬金。根據董事會採納的《外部核數師管理政策》，審計委員會已按該政策內參考國際最佳慣例而制訂的原則及標準，對羅兵咸永道會計師事務所的獨立性及專業性作出評估，並滿意有關評估結果。本銀行現任核數師安永會計師事務所將在其目前的任期屆滿後於本銀行2021年股東週年大會上退任。

於2020年度，本集團支付或需支付予安永會計師事務所的費用合共港幣4,200萬元（2019年：港幣3,900萬元），其中港幣2,800萬元（2019年：港幣2,700萬元）為審計費用，而港幣1,400萬元（2019年：港幣1,200萬元）為其他服務費用（主要包括稅務相關及諮詢的服務）。審計委員會對2020年度非審計服務並沒有影響到安永會計師事務所的獨立性感到滿意。

公司治理（續）

風險管理及內部監控

董事會負責評估及釐定本集團達成策略目標時所願意接納的風險性質及程度，確保本集團設立及維持合適及有效的風險管理及內部監控系統，並監督管理層對風險管理及內部監控系統的設計、實施及監察，根據董事會的授權範圍，管理層負責日常的運作及各類風險管理的工作，而管理層需向董事會提供有關系統是否有效的確認。

風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，並只能對不會有重大的失實陳述或損失作出合理而非絕對的保證；並管理運作系統故障的風險，以及協助達致本集團的目標。除保障本集團資產安全外，亦確保保存妥善的會計記錄及遵守有關法例及規定。

本集團每年對風險管理及內部監控系統的有效性進行檢討，涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控以及風險管理。有關檢討工作是以監管機構及專業團體的指引、定義為基礎，根據監控環境、風險評估、控制活動、訊息與溝通及內部監督的五項內部監控元素進行評估，涵蓋所有重要的監控及措施，包括財務、運作及合規和風險管理功能；檢討範圍亦包括本集團會計、財務匯報、內部審計職能的資源、員工資歷和經驗及培訓的足夠性。有關檢討由本集團內部審計部門統籌，透過管理層及業務部門的自我評估，並經管理層確認有關系統的有效性，內部審計部門對檢討過程及結果進行獨立的檢查及後評價工作。有關2020年度的檢討結果反映本集團的風險管理及內部監控系統有效及足夠，並已向審計委員會及董事會匯報。

此外，本集團已基本建立且落實執行各項監控程序及措施，主要包括：

- 建立了相應的組織架構和各級人員的職、權、責，制定了書面的政策和程序，對各單位建立了相互牽制的職能分工，合理地保障本集團的各項資產安全，並能在合法合規及風險控制下經營及運作；

- 管理層制定並持續監察本集團的發展策略、業務計劃及財務預算的執行情況，並已設置了會計管理制度，提供衡量財務及營運表現的依據；

- 本集團制定了相應的風險管理政策及人力資源管理政策，對信譽、策略、法律、合規、信貸、市場、業務操作、流動性、利率等風險均設既定單位和人員承擔職責及處理程序，並建立了處理及發佈內幕消息的程序和內部監控措施；本集團制定了及時識別、評估及管理各主要風險的機制，並建立相應的內部監控措施，及解決內部監控缺失的程序。（本集團的風險管理詳情載列於本年報第301至309頁）；

- 本集團確立的資訊科技管治架構，設有多元化的資訊系統及管理報告，包括各類業務的監察資料、財務資訊、營運表現等，為管理層及業務單位、監管機構等提供衡量及監控的訊息；各單位、層級亦已建立了適當的溝通管道和匯報機制，以確保訊息的交流暢通；

- 本集團的內部審計部門採用風險為本的評估方法，根據董事會轄下審計委員會批准的內部審計計劃，對財務範疇、各業務領域、各風險類別、職能運作及活動進行獨立的檢查，直接向審計委員會提交報告。本集團的內部審計部門對須關注的事項及須改善的方面有系統地及時跟進，並將跟進情況向管理層及審計委員會報告；及

- 審計委員會審閱外部核數師在年度審計中致本集團管理層的報告以及監管機構提出的風險管理及內部監控建議，並由本集團的內部審計部門持續跟進以確保本集團有計劃地實施有關建議，並定期向管理層及審計委員會報告建議的落實情況。

本集團致力提升管治水平，對所有附屬公司持續監控。於2020年，本集團在組織架構分工、風險管理政策與程序及提高披露透明度等方面做出持續改善。因應環球經濟狀況、經營環境、監管規定、業務發展等內外變化，本集團整體上採取了一系列應對措施，並將持續檢討改善集團監控機制的成效。於2020年內發現需改進的地方已予確認，並已採取相應措施。

公司治理（續）

董事關於財務報表的責任聲明

以下聲明應與核數師報告內的核數師責任聲明一併閱讀。該聲明旨在區別董事及核數師在財務報表方面的責任。

董事須按香港《公司條例》規定編製真實而中肯之財務報表。除非本銀行及本集團將繼續其業務的假設被認為不恰當，否則財務報表必須以持續經營基準編製。董事有責任確保本銀行於任何時候存置的會計紀錄可合理準確披露本銀行財務狀況，以及確保所編製的財務報表符合香港《公司條例》的規定。董事亦有責任採取合理可行的步驟，以保護本集團資產，並且防止及揭發欺詐及其他不正常情況。

董事認為於編製財務報表時，本銀行已採用合適的會計政策並貫徹使用，且具有合理的判斷及估計支持，並已遵守所有適用的會計準則。

Corporate Governance

The Bank is committed to maintaining and upholding high standards of corporate governance in order to safeguard the interests of shareholders, customers and employees. It abides strictly by the relevant laws and regulations in Hong Kong, and observes the rules and guidelines issued by regulatory authorities including the HKMA and Hong Kong Securities and Futures Commission. The Bank has followed the guidelines as set out in the Supervisory Policy Manual module CG-1 entitled "Corporate Governance of Locally Incorporated Authorised Institutions" issued by the HKMA.

To further enhance corporate governance standard, the Bank will revamp its corporate governance system and strengthen relevant measures by referencing to market trend as well as guidelines and requirements issued by regulatory authorities.

Corporate Governance Policy

The Bank recognises the importance of high standards of corporate governance and maintains an effective corporate governance framework which delivers long-term success of the Group. The Bank is also strongly committed to embracing and enhancing sound corporate governance principles and practices. The established well-structured corporate governance framework directs and regulates the business ethical conduct of the Bank, thereby protects and upholds the interests of shareholders and stakeholders as a whole in a sustainable manner.

Corporate Governance Framework

Responsibilities of the Board and the Management

The Board is at the core of the Bank's corporate governance framework and there is a clear division of responsibilities between the Board and the Management. The Board is responsible for providing high-level guidance and effective oversight of the Management. It operates under the well-defined Board's Mandate which sets out matters specifically reserved for its deliberation. Generally, the Board is responsible for:

- formulating the Group's mid and long-term strategies and monitoring the implementation thereof;
- reviewing and approving the annual business plans and financial budgets;
- approving the annual results and interim results;
- reviewing and monitoring the Group's risk management and internal control;
- ensuring good corporate governance of the Group and effective compliance; and
- monitoring the performance of the Management.

Five physical Board meetings were held during the year. Major agenda items reviewed and approved included important matters such as the Group's strategies, business plans, financial budget, disclosure of financial results, sustainability policy, risk management and internal controls, as well as change in external auditor. The Board also discussed the preventive measures taken by the Bank in response to the COVID-19 pandemic, the impacts on operation and business, the financial support initiatives launched to help enterprises navigate through the economic difficulties and the charitable works done. Besides physical meetings, the Board also approved written resolutions on certain matters, including changes of directors and senior management and relevant matters regarding the governance of the Sustainability Committee. Supporting explanatory materials accompanying the written resolutions were sent to Directors to facilitate their understanding of the matters and assist them to make informed decisions.

During the year, the Board reviewed and approved amendments made to certain corporate governance related policies and procedures so as to align with the latest changes in regulatory requirements. The Board also reviewed the disclosure in the Corporate Governance Report contained in the 2019 Annual Report.

Directors are entitled to seek, at the Group's expense, independent professional advice reasonably necessary for discharging their duties as Directors. The Company Secretary will make necessary arrangements when the Directors wish to seek such independent professional advice.

The Board authorises the Management to implement the strategies as approved by the Board. The Management is responsible for the day-to-day operations of the Group and reports to the Board. For this purpose, the Board has formulated clear written guidelines which stipulate the circumstances where the Management should report to and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Group. The Board will conduct regular review on these authorisation and guidelines.

Corporate Governance (continued)

Corporate Governance Framework (continued)

Roles of the Chairman and the Chief Executive

To avoid concentration of power in any single individual, the positions of the Chairman and the Chief Executive of the Bank are held by two different individuals. Their roles are distinct, clearly established and stipulated in the Board's Mandate.

The Chairman is responsible for ensuring that the Board properly discharges its responsibilities and conforms to good corporate governance practices and procedures. In addition, as the Chairman of the Board, he is also responsible for ensuring that all Directors are properly briefed on all issues currently on hand, and that all Directors receive adequate, accurate and reliable information in a timely manner.

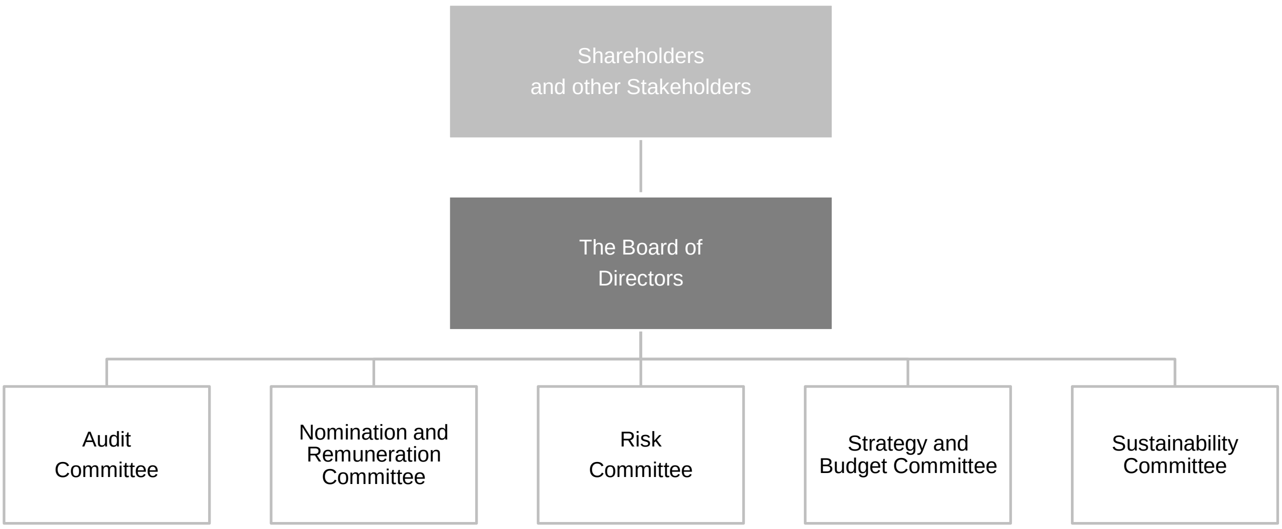
The Chief Executive is responsible for providing leadership for the whole management and implementing important policies and development strategies as adopted by the Board. Led by the Chief Executive, the Management Committee fulfils responsibilities including management of the Group's routine operation, implementation of business development strategies and realisation of the Group's long-term targets and strategies.

Board Committees

Taking into consideration the latest regulatory requirements, guidelines as well as market practices and international best practices, the Board has established five standing Board Committees to assist in performing its responsibilities, namely the Audit Committee, the Nomination and Remuneration Committee, the Risk Committee, the Strategy and Budget Committee and the Sustainability Committee.

Each of the Board Committees has a well-defined Mandate and makes recommendations to the Board on relevant matters within its scope of responsibilities or makes decisions under appropriate circumstances in accordance with the power delegated by the Board. All Board Committees are assigned a professional secretarial department which ensures that the Board Committees have adequate resources to perform their duties effectively and properly. All Board Committees adopt the same governance process as the Board as far as possible and report regularly to the Board on their decisions and their recommendations. The Board and Board Committees will participate in the annual performance appraisal of those professional secretarial departments to warrant and enhance the services provided and ensure that adequate and efficient supports are provided to the Board and Board Committees. In addition, according to their respective Mandates, the Board and each of the Board Committees will evaluate and review their work process and effectiveness annually, with a view to identifying areas for further improvements.

The following chart sets out the Bank's corporate governance framework:



Details including the Bank's corporate governance principles and framework adopted by the Board, the composition of the Board and each of the Board Committees and their respective Mandates, Corporate Governance Policy and Information Disclosure Policy are available under the sub-section "Corporate Governance" of the section headed "About Us" on the Bank's website at www.bochk.com.

Corporate Governance (continued)

Board of Directors

Composition and Terms of Office of the Board

As at the date of this Annual Report, the Board is composed of eight Directors, of whom one is Executive Director, two are Non-executive Directors and five are Independent Non-executive Directors. The Board maintains an appropriate level of checks and balances to ensure independence and objectivity of the decisions of the Board, as well as the impartial oversight of the Management. The Board acts honestly and in good faith so that decisions are made objectively and in the best interests of the Group with a view to delivering long-term and maximum shareholder value and fulfilling its corporate responsibility to other stakeholders of the Group.

Mr SUN Yu was (i) appointed as Non-executive Director and a member of the Risk Committee with effect from 20 March 2020; and (ii) re-designated from Non-executive Director to Executive Director, appointed as Vice Chairman and Chief Executive, as well as a member of each of the Strategy and Budget Committee and the Sustainability Committee, and ceased to be a member of the Risk Committee with effect from 23 December 2020. Mr WANG Jiang was appointed as Vice Chairman, Non-executive Director and a member of each of the Nomination and Remuneration Committee and the Strategy and Budget Committee with effect from 20 March 2020, and resigned from all the said positions with effect from 5 February 2021. Mr GAO Yingxin resigned as Executive Director, Vice Chairman and Chief Executive, as well as a member of each of the Strategy and Budget Committee and the Sustainability Committee with effect from 25 May 2020. Save as disclosed above, there are no other changes to the composition of the Board and Board Committees during the year and up to the date of this Annual Report.

All Non-executive Directors and Independent Non-executive Directors of the Bank have been appointed for a fixed term of approximately three years, with formal letters of appointment setting out the key terms and conditions of their appointment. In accordance with Article 87 of the articles of association of the Bank (the "Articles of Association"), the terms of office of Mr LIN Jingzhen, Dr CHOI Koon Shum and Mr LAW Yee Kwan Quinn will expire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Further details regarding the proposed re-election of Directors are set out in the section headed "Report of the Directors". In addition, the Bank has also established a written and formal process for the appointment of the Independent Non-executive Directors to ensure that the appointment procedures are standardised, thorough and transparent.

Selection and Nomination of Board Members

The Bank has in place relevant policies on the nomination of Board members. The Nomination and Remuneration Committee shall take into account the existing composition of the Board and the business requirements of the Group, follow the board diversity, independence of directors and other relevant supervisory and policy requirements and be responsible for the identification, selection and nomination of Board members.

The Bank recognises the importance and benefits of board diversity. In order to promote the Board's effectiveness and standards of corporate governance, the Bank has adopted the "Board Diversity Policy" which will be considered in identifying suitable and qualified candidates to be a Board member. The said policy provides that in designing the Board's composition, board diversity should be considered in a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, geographical location, professional experience, skills, knowledge and track records, etc., to ensure an appropriate diversity of skills, backgrounds and viewpoints. At the same time, all Board nominations and appointments are made on merit, in the context of the skills and experience the Board as a whole required. The various perspectives of Board diversity elements as mentioned above shall also be adequately considered during the selection process of new Board members.

Corporate Governance (continued)

Board of Directors (continued)

Potential candidates of Executive Directors could be sourced and selected amongst the senior management. Potential candidates of Independent Non-executive Directors could be recruited through global selection. Pursuant to the provisions of the Articles of Association and relevant regulations, shareholders could also nominate a person other than a retiring Director for election as a Director (including Non-executive Director) at a general meeting. Where necessary, the Nomination and Remuneration Committee may appoint external advisors to assist in recruiting appropriate individuals. The Nomination and Remuneration Committee shall consider various factors in assessing the suitability of a proposed candidate for appointment as Board member, which include:

- Board diversity;
- Reputation of candidate;
- Professional knowledge and industrial experience of candidate;
- Commitment of candidate to devote sufficient time to discharge duties as a Board member; and
- Satisfaction of independence requirements as set out in the HKMA's Guideline on Empowerment of Independent Non-Executive Directors in the Banking Industry in Hong Kong (the "Guideline") and the "Policy on Independence of Directors" of the Bank in the case of a candidate for Independent Non-executive Director.

The Nomination and Remuneration Committee shall assess the candidates pursuant to the selection criteria, hold meetings to discuss and arrange interviews with the candidates where necessary, and make recommendation to the Board. The appointment of Directors shall be eventually approved by the Board and/or shareholders at general meetings.

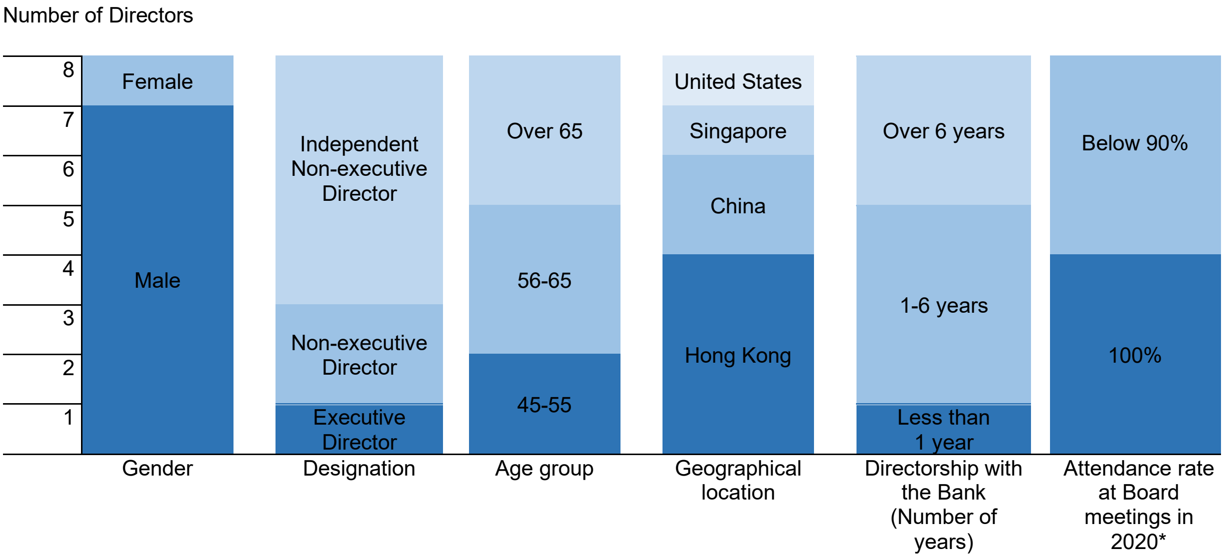
For the Board members of the Bank who were newly appointed in 2020 and the retiring Board members standing for re-election at 2020 annual general meeting of the Bank, the Nomination and Remuneration Committee reviewed their biographical details against the selection criteria set out in the Bank's nomination policies of Board members and, where applicable, the relevant requirements under the Guideline and considered they have the required character, integrity and professional knowledge and experience to continue fulfilling their role and contributing to the Bank and the diversity of the Board.

Under the current board membership, all Directors possess extensive experience in banking and/or management. In addition, over one-third of them are Independent Non-executive Directors, who possess experience in banking and financial industry as well as expertise in strategic development and risk management. The Bank has received from each of the Independent Non-executive Directors an annual confirmation of his/her independence by reference to the "Policy on Independence of Directors" of the Bank. Based on the information available to the Bank, it considers that all of the Independent Non-executive Directors are independent. Mr KOH Beng Seng and Mr TUNG Savio Wai-Hok, who have served on the Board for more than nine years, have continued to make significant contributions to the Bank by offering valuable guidance from their areas of expertise and extensive experience in business strategy, banking operation, risk management, governance as well as accounting and finance, all of which are relevant to the Group's business. It is considered that the length of service of Mr KOH and Mr TUNG has not affected their independence, given both of them have consistently demonstrated strong independence in judgement and have provided effective oversight of the Management during their tenure. Moreover, all Directors have disclosed to the Bank their significant commitments and have undertaken and confirmed that they are able to devote sufficient time to the affairs of the Bank. Biographical details of the professional experience, skills and knowledge of the Board members are available under the sub-section "Organisation" of the section headed "About Us" on the Bank's website at www.bochk.com.

Corporate Governance (continued)

Board of Directors (continued)

An analysis of the Board's composition as at the date of this Annual Report is set out below:



* Attendance rates of Mr WANG Jiang and Mr GAO Yingxin, who resigned as a Director with effect from 5 February 2021 and 25 May 2020 respectively, are excluded.

Mr LIU Liange and Mr LIN Jingzhen are Executive Directors of BOC. During the year, Mr WANG Jiang was Executive Director of BOC, and Mr SUN Yu was Executive Vice President of BOC until his resignation took effect from 23 December 2020. Save as disclosed above, there are no other relationships between the Board members, including financial, business, family or other material relationships.

In addition, it is expressly provided in the "Policy on Managing Conflicts of Interest of Directors" that, unless the applicable laws or regulations allow otherwise, if a substantial shareholder or Director has a conflict of interest in the matter to be considered by the Board, a Board meeting must be convened and attended by the Independent Non-executive Directors who have no material interest and give professional advice to the subject matter for further consideration and approval.

Directors' Liability Insurance Policy

During the year, the Bank has arranged for appropriate cover on Directors' Liability Insurance Policy to indemnify the Directors for liabilities arising from the corporate activities. The coverage and the amount insured under such policy are reviewed annually by the Bank.

Corporate Governance (continued)

Board of Directors (continued)

Self-evaluation of the Board

During the year, the Board conducted annual self-evaluation pursuant to the "Regulations on Self-Evaluation of the Board and Individual Evaluation of the Directors". With the endorsement of the Nomination and Remuneration Committee, the annual self-evaluation questionnaire was distributed to Directors for completion. Based on the completed questionnaire, the Bank analysed the results and a report delineated the results and recommendation has been submitted to the Board for review and consideration.

Review of Effectiveness of the Individual Directors

During the year, the Bank has also engaged an external professional consultant to conduct independent review of the effectiveness of the individual Directors. A questionnaire was distributed to all Directors for their completion and included Directors' self-assessment in areas such as their time commitment and participation, interaction and communication with senior management, as well as evaluation of other members of the Board and Board Committees, and other factors that impact director effectiveness. Based on the completed questionnaire and other available information, the external consultant assessed the effectiveness of individual Directors and prepared a report setting out its observations and recommendations, which has been submitted to the Board for review and follow-up.

Directors' Training and Professional Development

To ensure the newly appointed Directors have adequate understanding of the Bank's business operations and to enable all Directors to update their knowledge regularly so as to provide informed recommendation and advice and make contribution to the Bank, the Board has established a set of written policies specifying guidelines on Directors' induction upon appointment and continuous training.

The Bank arranges appropriate Directors' induction through the use of induction handbook, face-to-face meetings and other means, and in accordance with the needs of individual Directors. Topics include but not limited to:

– governance structure;
– standing agenda of the Board;
– regulatory requirements on corporate governance;
– focus of concern of regulators; and
– business operation, development plan and focus of internal control.

The Bank also provides regular updates to Board members on material changes to regulatory requirements applicable to the Directors and the Group on a timely basis; and the Bank arranges regular meetings with the Management to facilitate the understanding of its latest business development. In addition, Board members are encouraged to participate actively in continuous training programmes. The Bank also arranges relevant professional training programmes for Board members at the expense of BOCHK (Holdings).

During the year, all Directors have participated in continuous professional development to develop and refresh their knowledge and skills. In 2020, the Bank invited expert to conduct a seminar titled "The Leadership and Supervisory Role of the Board of Directors in Environmental, Social and Governance (ESG)" to the Directors and the senior management, discussing areas such as ESG development trends locally and overseas, best industry practice, and recommendations for ESG enhancement.

Furthermore, each of the Directors has received a series of training as he/she thought fit. During the year, they attended seminars and workshops and received training materials from the Bank, regulatory authorities and professional firms, covering a wide range of topics:

– green and sustainable banking;
– capacity building for future banking;
– anti-money laundering;
– anti-corruption and anti-bribery;
– ESG reporting and disclosures;
– risk management and internal control;
– corporate governance;
– banking industry development trend; and
– fintech development in the Greater Bay Area, etc.

Corporate Governance (continued)

Board of Directors (continued)

The Directors' records of annual training information have been entered in the register of directors' training records maintained and updated by the Bank from time to time. As at year end, the participation of all Directors in continuous professional development is summarised as follows:

Directors [Note]	Corporate Governance/ ESG Development/ Regulatory Updates	Risk Management and Internal Control	Banking Industry Development Trend
Non-executive Directors			
Mr LIU Liange	✓	✓	✓
Mr LIN Jingzhen	✓	✓	✓
Mr WANG Jiang *(resigned with effect from 5 February 2021)*	✓	✓	✓
Independent Non-executive Directors			
Mdm CHENG Eva	✓	✓	✓
Dr CHOI Koon Shum	✓	✓	✓
Mr KOH Beng Seng	✓	✓	✓
Mr LAW Yee Kwan Quinn	✓	✓	✓
Mr TUNG Savio Wai-Hok	✓	✓	✓
Executive Director			
Mr SUN Yu *(re-designated as Executive Director with effect from 23 December 2020)*	✓	✓	✓

Note: The training records for Mr GAO Yingxin who resigned during the year are not included herein. Please refer to the section headed "Composition and Terms of Office of the Board" under "Board of Directors" for details of changes in Directors during the year and up to the date of this Annual Report.

Directors' Attendance at Board Meetings and Board Committee Meetings

Five Board meetings were held during 2020 with an average attendance rate of 87%. Regular meeting schedule for the year was prepared and approved by the Board in the preceding year. Formal notices of regular Board meetings were sent to all Directors at least 14 days before the date of the scheduled meetings, and Board agenda and meeting materials of sufficient quality were despatched to all Board members for review at least seven days prior to the scheduled meetings. Board agenda of each meeting was approved by the Chairman following consultation with other Board members and the senior management. Members of the senior management were regularly invited to attend the Board meetings to make presentation and answer questions that the Directors might have. Draft and final versions of Board minutes were sent to all Directors for their comment and record respectively within a reasonable period after the meetings were held.

The Board also received monthly reports with information on the Group's latest financial and operating performance. Accordingly, the Directors can have a balanced assessment of the Group's performance, position and prospects throughout the year. In addition, the Directors received, on a regular basis, thematic reports regarding the Bank's precautionary measures taken against COVID-19, professional services and products rendered to customers, active participation in anti-pandemic charity activities as well as the pandemic support work of Southeast Asian institutions.

In addition, in order to facilitate open discussion with all the Independent Non-executive Directors, the Chairman met with all the Independent Non-executive Directors in the absence of other Directors and the senior management. Relevant practice has been incorporated in the Working Rules of the Board.

Corporate Governance (continued)

Board of Directors (continued)

Details of respective Directors' attendance at the Board meetings and Board Committee meetings in 2020 are set out as follows:

	Number of meetings attended/Number of meetings convened during Directors' term of office					
		Board Committees				
Directors	**Board**	**Audit Committee**	**Nomination and Remuneration Committee**	**Risk Committee**	**Strategy and Budget Committee**	**Sustainability Committee**
Number of meetings held during the year	5	5	2	4	4	2
Non-executive Directors						
Mr LIU Liange *(Chairman)*	4/5	–	–	–	3/4	–
Mr LIN Jingzhen	4/5	–	–	–	3/4	–
Mr WANG Jiang *(resigned with effect from 5 February 2021)*	3/5	–	2/2	–	3/4	–
Independent Non-executive Directors						
Mdm CHENG Eva	5/5	5/5	–	–	4/4	2/2
Dr CHOI Koon Shum	4/5	–	2/2	–	3/4	2/2
Mr KOH Beng Seng	5/5	5/5	2/2	4/4	–	2/2
Mr LAW Yee Kwan Quinn	5/5	5/5	–	4/4	–	2/2
Mr TUNG Savio Wai-Hok	5/5	5/5	2/2	4/4	4/4	2/2
Executive Director						
Mr SUN Yu *(Vice Chairman and Chief Executive)* Note	4/5	–	–	3/4	–	–
Mr GAO Yingxin *(resigned with effect from 25 May 2020)*	2/2	–	–	–	1/1	–
Average Attendance Rate	87%	100%	100%	94%	83%	100%

Note: Mr SUN Yu was (i) appointed as Non-executive Director and a member of the Risk Committee with effect from 20 March 2020; and (ii) re-designated from Non-executive Director to Executive Director, appointed as Vice Chairman and Chief Executive, as well as a member of each of the Strategy and Budget Committee and the Sustainability Committee, and ceased to be a member of the Risk Committee with effect from 23 December 2020.

Apart from formal Board meetings, the Bank has set up a system of pre-communication meeting for the Independent Non-executive Directors, where major agenda items have been presented to the Independent Non-executive Directors before each Board meeting, and their comments have been timely conveyed to the Management for follow up actions so as to enhance the effectiveness of deliberation at Board meetings.

Before the outbreak of COVID-19, the Bank used to arrange informal events for Board members and the senior management to facilitate their communication and interactions. For example, the Bank would organise working meals from time to time, with Board members and the senior management invited to join and share insights on the Bank's business and strategic issues. Board retreat would also be organised for Directors (in particular the Independent Non-executive Directors) to gain a good understanding of the Bank's regional business and operations and enhance communication with the senior management. Some of these activities might resume in 2021, depending on the latest development on the pandemic.

Corporate Governance (continued)

Board Committees

Audit Committee

The Audit Committee currently comprises four members, all of whom are Independent Non-executive Directors. Its composition, main duties and major works performed during the year are as follows:

Composition	Main duties
Mr TUNG Savio Wai-Hok (Chairman) Mdm CHENG Eva Mr KOH Beng Seng Mr LAW Yee Kwan Quinn	• integrity of financial statements and financial reporting process • monitoring of risk management and internal control systems • effectiveness of internal audit function and performance appraisal of the General Manager of Group Audit • appointment of external auditor and assessment of its qualification, independence and performance and, with authorisation of the Board and shareholders at general meeting, determination of its remuneration • periodic review and annual audit of the Bank's and the Group's financial statements • compliance with applicable accounting standards as well as legal and regulatory requirements on financial disclosures • corporate governance framework of the Group and implementation thereof **Major works performed during the year (included the review and, where applicable, approval of)** • the Bank's financial statements for the year ended 31 December 2019 that were recommended to the Board for approval • the Bank's interim financial statements for the six months ended 30 June 2020 that were recommended to the Board for approval • the audit reports and report on internal control recommendations submitted by external auditor, the audit reports submitted by internal audit, and the on-site examination reports issued by regulators • the proposed appointment of external auditor, the fees payable to external auditor for the annual audit, interim review and other non-audit services • the Group's audit plan for next year and key areas identified • the organisation structure, deployment of human resources and pay level of the Internal Audit, its budget for next year • annual review of the effectiveness of the internal audit function • the 2019 performance appraisal and next year's key performance indicators for the General Manager of Group Audit and the Group Audit • the annual review of the effectiveness of the Group's risk control and internal control systems • annual review of the "Policy on External Auditor Management", the "Policy on Staff Reporting of Irregularities" and the "Internal Audit Charter"

Corporate Governance (continued)

Board Committees (continued)

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently comprises three members, all of whom are Independent Non-executive Directors. Its composition, main duties and major works performed during the year are as follows:

Composition	Main duties
Dr CHOI Koon Shum (Chairman) Mr KOH Beng Seng Mr TUNG Savio Wai-Hok	• review of overall human resources strategies of the Group • selection and nomination of Directors, Board Committee members and Senior Management • regular monitoring and review of structure, size and composition (including but not limited to gender, age, cultural and educational background, ethnicity, geographical location, professional experience, skills, knowledge and track records, etc.) of the Board and Board Committees • review of the effectiveness of the Board and Board Committees • ensuring the participation in training and continuous professional development of Directors and Senior Management • review and recommendation of remuneration strategy and incentive framework of the Group • setting of the remuneration of Directors, Board Committee members, Senior Management and Key Personnel **Major works performed during the year (included the approval, review and proposal to the Board)** • consideration of the matters relating to the appointment and changes of Directors and Board Committee members • consideration of the matters relating to the appointment, removal and remuneration of the Executive Director and Senior Management • performance appraisal result of the Executive Director and Senior Management for year 2019 • proposal on staff bonus for year 2019 and salary adjustment for year 2020 for the Group, including Senior Management • key performance indicators of the Group and the Senior Management for year 2021 • proposal on human resources budget of the Group for year 2021 • coordination and oversight of the annual performance evaluation of the Board, Board Committees and individual Directors • annual review of the major human resources and remuneration policies • annual review of the "Policy on Independence of Directors" and the "Policy on Directors' Remuneration"

Corporate Governance (continued)

Board Committees (continued)

Risk Committee

The Risk Committee currently comprises three members, all of whom are Independent Non-executive Directors. Its composition, main duties and major works performed during the year are as follows:

Composition	Main duties
Mr KOH Beng Seng (Chairman) Mr LAW Yee Kwan Quinn Mr TUNG Savio Wai-Hok	• formulation of the risk appetite and risk management strategy of the Group and determination of the Group's risk profile • identification, assessment and management of material risks faced by various business units of the Group • review and assessment of the adequacy and effectiveness of the Group's risk management policies, systems and internal controls • review and monitoring of the Group's capital management • review and approval of the Group's target balance sheet • review and monitoring of the Group's compliance with risk management policies, systems and internal controls, including the Group's compliance with prudential, legal and regulatory requirements governing the businesses of the Group • review and approval of high-level risk-related policies of the Group • review and approval of significant or high risk exposures or transactions • review of risk management reports, including risk exposure reports, model development and validation reports, and credit risk model performance reports **Major works performed during the year** • review and approval of key risk management policies of the Group, including the Group's risk appetite, the Risk Management Policy Statement, the Capital Management Policy, the Stress Test Policy, and a range of risk management policies covering credit risk, market risk, liquidity risk, interest rate risk, operational risk, legal risk, compliance risk, technology risk, strategic risk and reputation risk, etc. • review and approval of the proposal for the annual review of the Group's recovery plan, the risk adjustment method for group bonus funding mechanics, the results of risk adjustment of the Group and the proposal for the amendment of the credit asset impairment methodology • review and approval of the Group's operating plans, including the Group's target balance sheets, the investment plans and portfolio key risk indicators, as well as risk management limits • review of risk management reports, including the Group's risk management report, the institutional money laundering risk assessment report, the business continuity plans and the proposal for implementation during the COVID-19 outbreak, the reports on the Group's credit risk exposures and the asset quality of the credit portfolios, the report on the information technology and cybersecurity, the report on artificial intelligence and big data application management, the report on outsourcing management, the report on fraud risk management, credit risk and market risk model validation reports, credit risk model performance reports, etc.

Corporate Governance (continued)

Board Committees (continued)

Strategy and Budget Committee

The Strategy and Budget Committee currently comprises six members, including two Non-executive Directors, three Independent Non-executive Directors as well as the Executive Director and Chief Executive of the Bank. Its composition, main duties and major works performed during the year are as follows:

Composition	Main duties
Mr LIU Liange[1] (Chairman) Mr SUN Yu[2] Mr LIN Jingzhen[1] Mdm CHENG Eva[3] Dr CHOI Koon Shum[3] Mr TUNG Savio Wai-Hok[3]	• review of the Group's medium to long-term strategic plan for Board's approval • monitoring of the Group's implementation of medium to long-term strategy, providing guidance on strategy direction for the management • review of major investments, capital expenditure and strategic commitments of the Group, and making recommendations to the Board • review and monitoring of the Group's regular/periodic (including annual) business plan • review of budget for Board's approval and monitoring of performance against budgeted targets **Major works performed during the year** • review of the Group's capital injection to Southeast Asian entities for Board's approval • receipt of and discussion on the Group's plan on the reform of interest rate benchmarks • receipt of and discussion on the business situation, product and marketing plan and next development roadmap of the subsidiaries • receipt of and discussion on the Group's plan on digital transformation, innovative transformation programmes and implementation progress of key projects • review and monitoring of the implementation of 2020 Financial Budget and Business Plan of the Group, and also review and endorsement of the Financial Budget and Business Plan of the Group submitted by the Management for the year 2021 and recommendation of the same to the Board

Notes:
1. Non-executive Director
2. Executive Director and appointed as a member of the Strategy and Budget Committee with effect from 23 December 2020
3. Independent Non-executive Director

Corporate Governance (continued)

Board Committees (continued)

Sustainability Committee

The Sustainability Committee currently comprises six members, including five Independent Non-executive Directors as well as the Executive Director and Chief Executive of the Bank. Its composition, main duties and major works performed during the year are as follows:

Composition	Main duties
Mdm CHENG Eva[1] (Chairman) Mr SUN Yu[2] Dr CHOI Koon Shum[1] Mr KOH Beng Seng[1] Mr LAW Yee Kwan Quinn[1] Mr TUNG Savio Wai-Hok[1]	• review of the Group's sustainability strategies, goals and priorities as well as material sustainability related policies • review of environmental, social and governance issues which are material to the Group and the related measures • oversight of the Group's sustainability performance • oversight of corporate culture of the Group and review of related policies **Major works performed during the year** • oversight of the formulation and implementation of the Group's sustainability strategies • oversight of the Group's materiality assessment mechanism and the related work progress • review of the Group's sustainability related policies, including the "Sustainability Policy", and recommendation of the same to the Board for approval • review of sustainability related reports, including the "Report on Bank Culture Building" and the "Report on Annual Review of the Staff Code of Conduct" • supervision and review of the various sustainability measures taken by the Group

Notes:
1. Independent Non-executive Director
2. Executive Director and appointed as a member of the Sustainability Committee with effect from 23 December 2020

Corporate Governance (continued)

Directors' Securities Transactions

BOCHK (Holdings) has established and implemented the "Code for Securities Transactions by Directors" to govern the Directors' dealings in securities transactions of BOC, BOC Aviation Limited (BOC's subsidiary), BOC International (China) Co, Ltd (BOC's associate) and BOCHK (Holdings). Upon specific enquiry by BOCHK (Holdings), all Directors confirmed that they had strictly complied with the provisions as set out in both the said Code and the "Model Code for Securities Transactions by Directors of Listed Issuers" as contained in Appendix 10 of the Listing Rules throughout the year 2020.

Directors' Remuneration

Pursuant to the "Policy on Directors' Remuneration" adopted by the Bank, when recommendation of the remuneration of Directors is made, the Nomination and Remuneration Committee should benchmark against companies of comparable business type or scale, the role (chairmanship or membership) they played, job nature and workload at both the Board and Board Committee levels (including frequency of meetings and nature of agenda items) in order to compensate Directors fairly. The remuneration of Directors is subject to regular review based on market practices, regulatory requirements and inflation, etc. No individual Director is allowed to participate in the procedures for deciding his/her individual remuneration package. The remuneration of the Independent Non-executive Directors is not linked with the performance of the Bank. Information relating to the remuneration of each Director for 2020 is set out in Note 19 to the Financial Statements. Director's fees, including additional fees for membership of Board Committees, paid to or receivable by the Directors in respect of their services rendered in year 2020 for the Bank are given below:

Board of Directors:	
All Directors	HK$400,000 p.a.
Board Committees:	
Chairman	HK$100,000 p.a.
Other Committee members	HK$50,000 p.a.

Note: For the year ended 31 December 2020, all Non-executive Directors (excluding Independent Non-executive Directors) and Executive Directors have not received their Directors' fees as mentioned above.

The Nomination and Remuneration Committee also has the delegated responsibility from the Board to determine the remuneration packages of the Executive Directors and the Senior Management, including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment, early payout of deferred remuneration), as well as the performance-based remuneration. Moreover, it will recommend to the Board on their remuneration package upon joining, sign-on bonus and contract guaranteed bonus, etc.

Corporate Governance (continued)

Remuneration and Incentive Mechanism

The Remuneration and Incentive Mechanism of the Group is based on the principles of "effective motivation" and "sound remuneration management". It links remuneration with performance and risk factors closely. It serves to encourage staff to enhance their performance, and at the same time, to strengthen their awareness of risk so as to achieve sound remuneration management.

The Remuneration and Incentive Policy of the Group is generally in line with the broad principles set out in the HKMA's "Guideline on a Sound Remuneration System" and applicable to the Bank and all of its subsidiaries (including the branches and entities in and out of Hong Kong).

- **"Senior Management" and "Key Personnel"**

  The Remuneration and Incentive Policy of the Group defines "Senior Management" and "Key Personnel" as follows:

  - "Senior Management": The senior executives designated by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including the Chief Executive, Deputy Chief Executives, Chief Financial Officer, Chief Risk Officer, Chief Operating Officer, Board Secretary and General Manager of Group Audit.

  - "Key Personnel": The employees whose individual business activities involve the assumption of material risk which may have significant impact on risk exposure, or whose individual responsibilities are directly and materially linked to the risk management, or those who have direct influence to the profit, including heads of material business lines, heads of major subsidiaries, senior executives of Southeast Asian entities, head of trading, as well as heads of risk control functions.

- **Determination of the Remuneration Policy**

  To fulfil the above-mentioned principles and to facilitate effective risk management within the framework of the Remuneration Policy of the Group, the Remuneration Policy of the Group is initiated by Human Resources Department with consultation of the risk control units including risk management, financial management and compliance in order to balance the needs for staff motivations, sound remuneration and prudent risk management. After the proposed Remuneration Policy is cleared by the Management Committee, it will be submitted to the Nomination and Remuneration Committee for review and thereafter to the Board for approval. The Nomination and Remuneration Committee and the Board will seek opinions from other Board Committees (e.g. Risk Committee, Audit Committee, etc.) where they consider necessary under the circumstances.

- **Key Features of the Remuneration and Incentive Mechanism**

1. *Performance Management Mechanism*
   The Group has put in place a performance management mechanism to formalise the performance management at the levels of the Group, units and individuals. The annual targets of the Group will be cascaded down under the framework of balanced scorecard whereby the performance of the "Senior Management" and different units (including business units, risk control units and other units) would be assessed from the perspectives of financial, customer, building blocks/key tasks, human capital, risk management and compliance. For individual staff at different levels, annual targets of the Group will be tied to their job requirements through the performance management mechanism. Performance of individuals will be appraised on their achievement against targets, their contribution towards performance of their units, fulfilment of risk management duties and compliance and adherence to the Group's corporate culture, etc. Not only is target accomplishment taken into account, but also the values-based behaviours and sufficient risk management during the course of work, ensuring prudent operation and sustainable development of the Group.

2. *Risk Adjustment of Remuneration*
   To put the principle of aligning performance and remuneration with risk into practice, based on "The Risk Adjustment Method", the key risk modifiers of the Bank have been incorporated into the performance management mechanism of the Group. Credit risk, market risk, interest rate risk, liquidity risk, operational risk, legal risk, compliance risk and reputation risk form the framework of "The Risk Adjustment Method". The size of the bonus pool of the Group is calculated according to the risk adjusted performance results approved by the Board and is subject to the Board's discretion. This method ensures the Group to fix the Group's bonus pool after considering risk exposures and changes and to maintain effective risk management through the remuneration mechanism.

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

3. *Performance-based and Risk-adjusted Remuneration Management*
   The remuneration of staff is composed of “fixed remuneration” and “variable remuneration”. The proportion of one to the other for individual staff members depends on job grades, roles, responsibilities and functions of the staff with the prerequisite that balance has to be struck between the fixed and variable portion. Generally speaking, the higher the job grades and/or the greater the responsibilities, the higher will be the proportion of variable remuneration so as to encourage the staff to follow the philosophy of prudent risk management and sound long-term financial stability.

   Every year, the Group will conduct periodic review on the fixed remuneration of the staff with reference to various factors like remuneration strategy, market pay trend and staff salary level, and will determine the remuneration based on the affordability of the Group as well as the performance of the Group, units and individuals. As mentioned above, performance assessment criteria include quantitative and qualitative factors, as well as financial and non-financial indicators.

   According to the “BOCHK Group Bonus Funding Policy”, the size of the bonus pool of the Group is determined by the Board on the basis of the financial performance of the Group and the achievement of non-financial strategic business targets under the long-term development of the Group. Thorough consideration is also made to the risk factors in the determination process. The size of the bonus pool is reached based on pre-defined formulaic calculations but the Board can make discretionary adjustment to it if deemed appropriate under prevailing circumstances. When the Group’s performance is relatively weak (e.g. failed to meet the threshold performance level), no bonus will be paid out that year in principle. However, the Board reserves the rights to exercise its discretion.

   As far as individual units and individual staff are concerned, allocation of the variable remuneration is closely linked to the performance of the units, and that of each individual staff as well as the unit he/she is attaching to, and the assessment of which should include risk modifiers. The performance and remuneration arrangement of risk control personnel are determined by the achievement of their core job responsibilities, independent from the business they oversee; for front-line risk controllers, a cross-departmental reporting and performance management system is applied to ensure the suitability of performance-based remuneration. Within the acceptable risk level of the Group, the better the performance of the unit and the individual staff, the higher will be the variable remuneration for the individual staff. The allocation of variable remuneration to staff should also consider individual behaviour comprehensively. For behaviour which is positive and adhering to the Group’s corporate culture, the variable remuneration should be tilted forward; for misconduct or behaviour which is negative and not adhering to the Group’s corporate culture, the variable remuneration should be forfeited or reduced.

4. *Linking the payout of the variable remuneration with the time horizon of the risk to reflect the long-term value creation of the Group*
   To work out the principle of aligning remuneration with the time horizon of risk and to ensure that sufficient time is allowed to ascertain the associated risk and its impact before the actual payout, payout of the variable remuneration of staff is required to be deferred in cash if such amount reaches certain prescribed threshold. The Group adopts a progressive approach towards deferral. The longer the time horizon of risk in the activities conducted by the staff and the higher amount of the variable remuneration, the higher will be the proportion of deferral. Deferral period lasts for three years.

   The vesting of the deferred variable remuneration is linked with the long term value creation of the Group. The vesting conditions are closely linked to the annual performance of the Group in the next three years and the individual behaviour of the staff concerned. When the Group’s performance has met the threshold requirement, the deferred variable remuneration would be vested following the corresponding schedule. However, if a staff is found to have committed fraud, or any financial or non-financial factors used in performance measurement or variable pay determination are later proven to have been manifestly worse than originally understood in a particular year, or individual behaviour/management style poses negative impacts to the business unit and even the Group, including but not limited to improper or inadequate risk management, significant incident and economic loss incurred by improper management, etc., the unvested portion of the deferred variable remuneration of the relevant staff would be forfeited.

Corporate Governance (continued)

Remuneration and Incentive Mechanism (continued)

- **Annual Review of Remuneration Policy**

  The Remuneration Policy of the Group is subject to annual review with reference to changes in external regulatory requirements, market conditions, organisational structure and risk management requirements, etc. Due to changes in organisational structure and job establishment, the Group reviewed the position lists of "Senior Management", "Key Personnel" etc. as delineated in the "BOCHK Group Remuneration and Incentive Policy".

- **External Remuneration Consultant**

  To ensure the suitability and competitiveness of the remuneration and incentive mechanism, the Group appointed Willis Towers Watson and McLagan for independent consultation in areas of pay management and market remuneration data of the Senior Management and key positions, etc.

- **Disclosure on Remuneration**

  The Group has fully complied with the guideline in Part 3 of the "Guideline on a Sound Remuneration System" issued by the HKMA to disclose information in relation to our remuneration and incentive mechanism.

External Auditor

Upon the recommendation of the Audit Committee, the Board will propose that PricewaterhouseCoopers be appointed as the new auditor of the Bank at the Bank's 2021 annual general meeting. Subject to shareholders' authorisation, the Board will authorise the Audit Committee to determine the remuneration of PricewaterhouseCoopers. Pursuant to the "Policy on External Auditor Management" adopted by the Board, the Audit Committee reviewed and was satisfied with the independence and professionalism of PricewaterhouseCoopers based on the principles and standards set out in the said Policy that were in line with international best practices. Ernst & Young, the existing auditor of the Bank, will retire upon expiration of its current term of office at the Bank's 2021 annual general meeting.

For 2020, the fee paid or payable by the Group to Ernst & Young was HK$42 million (2019: HK$39 million), of which HK$28 million (2019: HK$27 million) related to audit services and HK$14 million (2019: HK$12 million) related to other services (mainly including tax-related and advisory services). The Audit Committee was satisfied that the non-audit services in 2020 did not affect the independence of Ernst & Young.

Corporate Governance (continued)

Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. According to the Board's scope of delegation, the Management is responsible for the day-to-day operations and risk management, and the Management needs to provide a confirmation to the Board on the effectiveness of these systems.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss; to manage the risk of system failure; and to assist in the achievement of the Group's objectives. In addition to safeguarding the Group's assets, it also ensures the maintenance of proper accounting records and compliance with relevant laws and regulations.

The Group conducts an annual review of the effectiveness of its risk management and internal control systems covering all material controls, including financial, operational and compliance controls as well as risk management. The review is conducted by reference to the guidelines and definitions given by the regulatory and professional bodies for the purpose of assessing five different internal control elements, namely, the control environment, risk assessment, control activities, information and communication, and monitoring. The assessment covers all the major internal controls and measures, including financial, operational and compliance controls as well as risk management functions. The review also considers the adequacy of resources, staff qualifications and experience and training of the Group's accounting, financial reporting and internal audit functions. The review is coordinated by the Group's internal audit which, after the Management and various business departments have performed their self-assessment and the Management has confirmed the effectiveness of the relevant systems, carries out an independent examination and other post-assessment work on the review process and results. The results of the 2020 review, which have been reported to the Audit Committee and the Board, revealed that the Group's risk management and internal control systems were effective and adequate.

In addition, the key procedures that the Group has essentially established and implemented to provide internal controls are summarised as follows:

- a rational organisational structure with appropriate personnel is developed and whose responsibility, authority, and accountability are clearly delineated. The Group has formulated policies and procedures to ensure reasonable checks and balances for all the operating units, reasonable safeguard for the Group's assets and adherence to relevant laws and regulations and risk management in its operations;

- the Management draws up and continuously monitors the implementation of the Group's strategies, business plans and financial budgets. The accounting and management systems that are in place provide the basis for evaluating financial and operational performance;

- the Group has various risk management and human resources policies. There are specific units and personnel that are responsible for handling reputation, strategic, legal, compliance, credit, market, operational, liquidity and interest rate risks. There are also procedures and internal controls for the handling and dissemination of inside information. The Group has set up mechanisms to identify, evaluate and manage all the major risks, and has established corresponding internal control procedures as well as processes for resolving internal control defects. (Details about the Group's risk management are provided on pages 301 to 309 of this Annual Report);

- the Group has established an information technology governance structure that produces a range of reports on information systems and management, including information on the monitoring of various business units, financial information and operating performance. Such information facilitates the Management, business units and the regulatory bodies in assessing and monitoring the Group's operation and performance. Proper communication channels and reporting mechanisms are in place at various business units and levels to facilitate exchange of information;

Corporate Governance (continued)

Risk Management and Internal Control (continued)

- pursuant to a risk-based approach and in accordance with the internal audit plan approved by the Audit Committee, the Group's internal audit conducts independent reviews on such aspects as financial activities, various business areas, various kinds of risks, operations and activities. Reports are submitted directly to the Audit Committee. The Group's internal audit closely follows up on the items that require attention in a systematic way and reports to the Management and the Audit Committee in a timely manner; and

- the Audit Committee reviews the reports submitted by external auditor to the Group's Management in connection with the annual audit as well as the recommendations made by regulatory bodies on risk management and internal control. The Group's internal audit follows up on the same to ensure timely implementation of the recommendations, and also periodically reports the status of the implementation to the Management and the Audit Committee.

The Group is committed to upholding good corporate governance practices and the internal control system of all subsidiaries are reviewed regularly. During the year of 2020, continuous improvements on the organisation structure and segregation of duty, the risk management policy and procedure, and the enhancement of disclosure transparency have been undertaken by the Group. In response to internal and external changes in global economic condition, operating environment, regulatory requirement and business development, the Group has implemented a series of measures and undertaken an on-going review on the effectiveness of the internal control mechanism. In 2020, areas for improvement have been identified and appropriate measures have been implemented.

Directors' Responsibility Statement in relation to Financial Statements

The following statement should be read in conjunction with the auditor's statement of their responsibilities as set out in the auditor's report. The statement aims to distinguish the responsibilities of the Directors and the auditor in relation to the financial statements.

The Directors are required by the Hong Kong Companies Ordinance to prepare financial statements, which give a true and fair view of the state of affairs of the Bank. The financial statements should be prepared on a going concern basis unless it is considered inappropriate. The Directors are responsible for ensuring that the accounting records kept by the Bank at any time reasonably and accurately reflect the financial position of the Bank, and that the financial statements comply with the requirements of the Hong Kong Companies Ordinance. The Directors also have duties to take reasonable and practicable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors consider that in preparing the financial statements, the Bank has adopted appropriate accounting policies which have been consistently applied and supported by reasonable judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

獨立核數師報告

EY 安永

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香港中環添美道1號
中信大廈22樓

致中國銀行（香港）有限公司成員
（於香港註冊成立的有限公司）

意見

我們已審計列載於第 50 至 300 頁的中國銀行（香港）有限公司（「貴銀行」）及其附屬公司（「貴集團」）的綜合財務報表，此綜合財務報表包括於 2020 年 12 月 31 日的綜合資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於 2020 年 12 月 31 日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告《核數師就審計綜合財務報表須承擔的責任》部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下進行處理的，我們不會對這些事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告《核數師就審計綜合財務報表須承擔的責任》部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

關鍵審計事項：	該事項在審計中是如何應對的：
客戶貸款的減值評估 請參閱財務報表附註 2.14 主要會計政策、附註 3.1 應用會計政策時之重大會計估計及判斷、附註 4.1 信貸風險及附註 23 貸款減值準備的披露。 貴集團採用具前瞻性的「預期損失」減值模型確認客戶貸款的預期信用損失。信貸風險的評估及預期信用損失的計量須基於無偏頗及概率加權的有可能結果，以及於報告日期有關過往事件、現行情況及未來經濟狀況預測的合理及有支持力的資訊。計算預期信用損失之模型建立及應用和數據輸入之選擇涉及重大的管理層判斷及估計，當中包括: 1) 根據信貸風險特徵對金融資產進行之組合劃分； 2) 對違約概率、違約損失率、違約風險承擔及宏觀經濟因素預測之估算； 3) 重大信貸惡化之標準；及 4) 對前瞻性宏觀經濟情景之選擇及概率加權。 截至 2020 年 12 月 31 日， 客戶貸款總額為港幣 14,972.56 億元，佔總資產的 47.6%；客戶貸款減值準備總額為港幣 91.72 億元，佔金融工具減值準備總額的 90.7%。 考慮貴集團減值準備金額的重要性，以及減值金額估算過程中涉及的管理層判斷及估計的重要性，客戶貸款的減值評估因而被列作關鍵審計事項。	我們瞭解了貴集團的信貸管理及實踐並評估其減值方法，包括管理層對組合劃分、重大信貸惡化的標準及預期信用損失估算方法的判斷。我們測試了信貸審批流程，貸款分類流程，階段分類流程和貸款減值準備的計算流程相關的關鍵控制的設計和執行的有效性。我們對貸款減值準備評估流程的控制測試包括評估應用經濟情景之管控及數據輸入或其他數據來源（如內部信貸評級和違約概率）的系統對接。 我們採用了以風險為導向的抽樣方法執行貸款審閱工作。我們基於個別貸款的風險特徵選取樣本，這些特徵包括借款人行業、經營地區、內部貸款評級以及過往逾期紀錄。我們通過審閱借款人的詳細資訊，包括其財務狀況、可收回現金流、押品估值及其他資料，以形成我們對貸款階段分類的獨立意見。 對於截至 2020 年 12 月 31 日的減值準備，我們通過抽樣檢查有關的資料來源以測試相關數據質量，並重新計算了管理層所計算的減值準備。此外，我們也評估了管理層對前瞻性因素的考慮，包括宏觀經濟因素預測和概率加權經濟情景。對於分類為第三階段貸款，我們抽樣重新計算其減值準備，在評估中，我們考慮了該貸款的可收回現金流和押品估值。 針對新冠肺炎的蔓延，我們擴大了選取信貸審閱樣本的篩選條件，並考慮了管理層額外採取的風險控制措施，對貸款分類、內部貸款評級和貸款階段分類之改變作評估。此外，考慮到新冠肺炎為經濟帶來的不確定性，我們評估了管理層採用的前瞻性宏觀經濟因素預測和情景概率。 對於財務報表附註 4.1 中的信貸風險披露，我們評估和測試了貴集團有關的關鍵控制設計和執行的有效性，及評估了該事項在披露的充分性方面，是否亦符合相關會計準則的要求。

獨立核數師報告（續）

關鍵審計事項：	該事項在審計中是如何應對的：
金融工具的估值 請參閱財務報表附註 2.12 主要會計政策、附註 3.2 應用會計政策時之重大會計估計及判斷、附註 5.1 及 5.2 金融工具的公平值披露。 對於沒有活躍市場報價的金融工具，貴集團採用估值技術確定其公平值，而估值技術中涉及依賴管理層的主觀判斷和假設，尤其是那些包括了重大可觀察非市場報價參數及重大不可觀察參數的估值技術。採用不同的估值技術或假設，估值結果將可能存在重大差異。 截至 2020 年 12 月 31 日，貴集團以公平值計量的金融資產及負債分別為港幣 8,203.32 億元和港幣 806.91 億元，分別佔總資產的 26.1%和總負債的 2.8%。在估值中採用重大可觀察非市場報價參數的金融工具被劃分為公允價值計量的第二層級，而在估值中採用重大不可觀察參數的金融工具被劃分為公允價值計量的第三層級。被劃分為公允價值計量的第三層級金融工具的估值的不確定性較高。 截至 2020 年 12 月 31 日，貴集團被劃分為第二層級及第三層級以公平值計量的金融資產分別為港幣 5,587.88 億元和港幣 23.67 億元，佔以公平值計量的金融資產比例分別為 68.1%和 0.3%。	我們評估並測試了與金融工具估值相關的關鍵控制設計和執行的有效性，包括獨立價格驗證、獨立估值模型驗證和審批等。 我們專注於公平值層級表內第二層級和第三層級金融工具的估值方法和假設。我們的估值專家對貴集團所採用的估值技術、參數和假設進行評估，包括對比當前市場上同業機構常用的估值技術，將所採用的可觀察參數與可獲得的外部市場資料進行核對及獲取不同估值來源的估值結果進行比較分析。 最後，對於貴集團在財務報表附註 5.1 及 5.2 中的公平值披露，我們也評估和測試了其關鍵控制設計和執行的有效性，及評估了該事項在披露的充分性方面，是否亦符合相關會計準則的要求。
遞延稅項資產的確認 請參閱財務報表附註 2.23 主要會計政策、附註 3.3 應用會計政策時之重大會計估計及判斷及附註 34 遞延稅項披露。 截至 2020 年 12 月 31 日，貴集團就減值準備產生的暫時性差額、就虧損產生的暫時性差額及就其他暫時性差額及稅收抵免而確認的遞延稅項資產分別為港幣 11.52 億元、港幣 0.15 億元及港幣 4.54 億元。其他暫時性差額及稅收抵免大部分是有關在避免雙重徵稅的條約安排下，貴集團就某些收入在其他司法管轄地區的應付預提所得稅，而可於香港稅務機關收回的稅收抵免。貴集團將於清繳應付預提所得稅及領取由相關稅務機關所發出的繳稅憑證後，向香港稅務機關申請稅收抵免。該遞延稅項資產按會計準則要求，包括於遞延稅項負債中抵銷，在財務報表附註 34 中列示。遞延稅項資產根據對可運用的稅務抵免之估算及收回此等已確認之遞延稅項資產的可能性而確認，當中涉及重大管理層的判斷及假設。	我們的審計程序除其他審計步驟外，還包括內部稅務專家的參與，以幫助我們基於現有稅法評估管理層所採用的判斷和假設，繼而確定遞延稅項資產的確認和可收回性。我們也評估了管理層對貴集團稅收抵免享有權的估計，並適時檢查貴集團與相關稅務機關的往來函件。 此外，我們還評估了該事項在財務報表附註 34 披露的充分性方面，是否亦符合相關會計準則的要求。

年報內的其他信息

董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行職責，監督貴集團的財務報告過程。

獨立核數師報告（續）

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們遵照香港《公司條例》第 405 條，僅對全體成員作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，消除不利影響的行動或採取的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是李舜兒。

Ernst & Young

安永會計師事務所
執業會計師
香港，2021 年 3 月 30 日

Independent Auditor's Report

Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

To the members of Bank of China (Hong Kong) Limited
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Bank of China (Hong Kong) Limited (the "Bank") and its subsidiaries (the "Group") set out on pages 50 to 300, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Independent Auditor's Report (continued)

Key audit matters:	How our audit addressed the key audit matters:
Impairment assessment of advances to customers Refer to significant accounting policies in Note 2.14, critical accounting estimates and judgements in applying accounting policies in Note 3.1, and disclosures on credit risk and loan impairment allowances in Note 4.1 and Note 23 to the financial statements. The Group has adopted a forward-looking "expected-loss" impairment model to recognise the expected credit losses ("ECL") of its advances to customers. The assessment of credit risk and the measurement of ECL are required to be based on unbiased and probability-weighted possible outcomes, and reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions. Significant management judgements and estimates are involved in the development and the application of models and the choices of inputs in the calculation of ECL, including: 1) segmentation of financial assets according to credit risk characteristics; 2) estimation of probability of defaults, loss given defaults, exposure at defaults and macroeconomic factor forecasts; 3) criteria on significant credit deterioration; and 4) selection of forward-looking macroeconomic scenarios and their probability weightings. As at 31 December 2020, gross advances to customers amounted to HK$1,497,256 million, representing 47.6% of total assets; and the impairment allowance for advances to customers amounted to HK$9,172 million, representing 90.7% of total impairment allowance on financial instruments. In view of the significance of the impairment allowance recorded by the Group and the management judgements and estimates involved, impairment assessment of advances to customers is considered a key audit matter.	We obtained an understanding of the Group's credit management and practices and evaluated the Group's impairment methodology, including the management judgement over the segmentation of portfolio, the criteria on significant credit deterioration and the measurement approach of expected credit losses. We tested the design and the operating effectiveness of the key controls over the processes of credit assessment, loan classification, stage classification and calculation of impairment allowances. Our control testing on the loan impairment process included an evaluation of the governance over the use of economic scenarios and the system interfaces of inputs or other data sources such as internal loan gradings and probability of default. We adopted a risk-based sampling approach for our loan review procedures. We selected samples based on risk characteristics of individual items including the industry and geographic location of the operations of borrowers, internal loan grading and past due history. We formed an independent view on the loan staging through reviewing the borrowers' detailed information about their financial performance, recoverable cash flows, valuation of collaterals and other available information. For the impairment allowance as at 31 December 2020, we performed testing on the relevant data quality by sample checking to the relevant data source and re-computed management's calculation of the impairment allowance. In addition, we assessed management's consideration of forward-looking information including macroeconomic factor forecasts and probability weighted economic scenarios. For Stage 3 advances, on a sample basis we re-calculated the impairment allowance with consideration of recoverable cash flows and valuation of collaterals. In connection with the COVID-19 pandemic, we expanded our loan review samples' selection criteria and assessed the loan classification, changes of internal rating and loan staging taking into account the additional risk control measures implemented by management. In addition, we assessed the forward-looking macroeconomic factor forecasts and probability weighted economic scenarios adopted by management considering the uncertainties in economic conditions due to COVID-19. We also evaluated and tested the design and operating effectiveness of the Group's key controls related to disclosures on credit risk in Note 4.1 to the financial statements, and assessed the adequacy of disclosures for compliance with the relevant accounting standards.

Independent Auditor's Report (continued)

Key audit matters:	How our audit addressed the key audit matters:
Valuation of financial instruments Refer to significant accounting policies in Note 2.12, critical accounting estimates and judgements in applying accounting policies in Note 3.2, and disclosures on fair values of financial instruments in Notes 5.1 and 5.2 to the financial statements. The Group has applied valuation techniques to determine the fair value of financial instruments that are not quoted in active markets. These valuation techniques, in particular those requiring significant observable inputs other than quoted prices and significant unobservable inputs, involve management using subjective judgements and assumptions. With different valuation techniques and assumptions applied, the valuation results can vary significantly. As at 31 December 2020, the Group's financial assets and liabilities measured at fair value amounted to HK\$820,332 million and HK\$80,691 million respectively, representing 26.1% and 2.8% of total assets and total liabilities respectively. Financial instruments which had significant observable inputs other than quoted prices in the valuation were categorised within level 2 of the fair value hierarchy, whereas financial instruments which had significant unobservable inputs in the valuation were categorised within level 3 of the fair value hierarchy. Higher degree of uncertainty was involved in valuation of financial instruments categorised within level 3 of the fair value hierarchy. As at 31 December 2020, the Group's financial assets measured at fair value which were categorised within level 2 and level 3 amounted to HK\$558,788 million and HK\$2,367 million respectively, representing 68.1% and 0.3% of the Group's financial assets measured at fair value, respectively.	We evaluated and tested the design and operating effectiveness of key controls related to the valuation of financial instruments, including independent price verification, independent model validation and approval. We focused on the valuation methodologies and assumptions of financial instruments that were classified as level 2 and level 3 in the fair value hierarchy. We involved our valuation specialists in evaluating the valuation techniques, inputs and assumptions through comparison with the valuation techniques that are commonly used in the market, the validation of observable inputs using external market data, and comparison with valuation outcomes obtained from various pricing sources. We also evaluated and tested the design and operating effectiveness of the Group's key controls related to the fair value disclosures in Notes 5.1 and 5.2 to the financial statements, and assessed the adequacy of disclosures for compliance with the relevant accounting standards.
Recognition of deferred tax assets Refer to significant accounting policies in Note 2.23, critical accounting estimates and judgements in applying accounting policies in Note 3.3, and disclosures on deferred taxation in Note 34 to the financial statements. As at 31 December 2020, the Group recognised deferred tax assets of HK\$1,152 million relating to temporary differences arising from impairment allowances, HK\$15 million relating to temporary differences arising from tax losses and HK\$454 million relating to other temporary differences and tax credits. The majority of other temporary differences and tax credits related to tax credits recoverable from the tax authorities in Hong Kong under double tax treaty arrangements, arising from withholding income taxes payable in other jurisdictions on certain income. Application for such tax credits will be made to the tax authorities in Hong Kong after the corresponding withholding income taxes payable are settled and evidenced by respective payment receipts issued from the corresponding tax authorities. These deferred tax assets, where required by accounting standards, were offset against and included within deferred tax liabilities as shown in Note 34 to the financial statements. The recognition of the deferred tax assets involved significant management judgements and assumptions, based upon the estimation of available tax credits and the likelihood of recovering the tax assets recognised.	Our audit procedures included, amongst others, the involvement of our tax specialists to assist in evaluating the judgements and assumptions adopted by management to determine the recognition and recoverability of the deferred tax assets, in light of current tax laws. We also assessed management's estimates of the Group's entitlement to the tax credits and examined correspondences between the Group and relevant tax authorities. In addition, we also assessed the adequacy of disclosures in Note 34 to the financial statements with respect to compliance with the relevant accounting standards.

Independent Auditor's Report (continued)

Other information included in the Annual Report

The directors of the Bank are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors of the Bank are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Bank are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Bank either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors of the Bank are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is LEE Shun Yi, Jasmine.

Ernst & Young

Ernst & Young
Certified Public Accountants
Hong Kong, 30 March 2021

綜合收益表 Consolidated Income Statement

截至 12 月 31 日止年度	For the year ended 31 December	附註 Notes	2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
利息收入	Interest income		**46,430**	64,538
以實際利息法計算的利息收入	*Interest income calculated using the effective interest method*		***45,966***	*62,755*
其他	*Others*		***464***	*1,783*
利息支出	Interest expense		**(15,132)**	(27,273)
淨利息收入	**Net interest income**	6	**31,298**	37,265
服務費及佣金收入	Fee and commission income		**13,658**	15,421
服務費及佣金支出	Fee and commission expense		**(2,260)**	(3,216)
淨服務費及佣金收入	**Net fee and commission income**	7	**11,398**	12,205
淨交易性收益	Net trading gain	8	**4,763**	5,649
其他以公平值變化計入損益之金融工具淨收益	Net gain on other financial instruments at fair value through profit or loss	9	**157**	328
其他金融資產之淨收益	Net gain on other financial assets	10	**4,383**	771
其他經營收入	Other operating income	11	**737**	831
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**		**52,736**	57,049
減值準備淨撥備	Net charge of impairment allowances	12	**(2,671)**	(2,015)
淨經營收入	**Net operating income**		**50,065**	55,034
經營支出	Operating expenses	13	**(15,775)**	(16,124)
經營溢利	**Operating profit**		**34,290**	38,910
投資物業處置／公平值調整之淨（虧損）／收益	Net (loss)/gain from disposal of/fair value adjustments on investment properties	14	**(1,641)**	288
處置／重估物業、器材及設備之淨虧損	Net loss from disposal/revaluation of properties, plant and equipment	15	**(63)**	(1)
應佔聯營公司及合資企業之稅後業績	Share of results after tax of associates and joint ventures	25	**42**	137
除稅前溢利	**Profit before taxation**		**32,628**	39,334
稅項	Taxation	16	**(5,095)**	(5,980)
年度溢利	**Profit for the year**		**27,533**	33,354
應佔溢利：	**Profit attributable to:**			
本銀行股東	Equity holders of the Bank		**27,352**	33,186
非控制權益	Non-controlling interests		**181**	168
			27,533	33,354
股息	**Dividends**	17	**12,138**	15,754

第 58 至 300 頁之附註屬本財務報表之組成部分。 The notes on pages 58 to 300 are an integral part of these financial statements.

綜合全面收益表 Consolidated Statement of Comprehensive Income

截至 12 月 31 日止年度	For the year ended 31 December	附註 Notes	2020	2019
			港幣百萬元 HK$'m	港幣百萬元 HK$'m
年度溢利	**Profit for the year**		**27,533**	33,354
其後不可重新分類至收益表內的項目：	Items that will not be reclassified subsequently to income statement:			
房產：	Premises:			
房產重估	Revaluation of premises	27	**(1,692)**	1,054
遞延稅項	Deferred tax	34	**292**	(130)
			(1,400)	924
以公平值變化計入其他全面收益之股權工具：	Equity instruments at fair value through other comprehensive income:			
公平值變化	Change in fair value		**139**	474
遞延稅項	Deferred tax		**(5)**	-
			134	474
自身信貸風險：	Own credit risk:			
界定為以公平值變化計入損益之金融負債的自身信貸風險之公平值變化	Change in fair value of own credit risk of financial liabilities designated at fair value through profit or loss		**1**	(45)
遞延稅項	Deferred tax		**-**	7
			1	(38)
			(1,265)	1,360

綜合全面收益表（續） Consolidated Statement of Comprehensive Income (continued)

截至12月31日止年度	For the year ended 31 December	附註 Notes	2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
其後可重新分類至收益表內的項目：	Items that may be reclassified subsequently to income statement:			
以公平值變化計入其他全面收益之債務工具：	Debt instruments at fair value through other comprehensive income:			
公平值變化	Change in fair value		**5,505**	5,190
減值準備變化借記收益表	Change in impairment allowances charged to income statement	12	**90**	19
因處置／贖回之轉撥重新分類至收益表	Release upon disposal/redemption reclassified to income statement	10	**(4,411)**	(795)
公平值對沖調整累計金額之攤銷重新分類至收益表	Amortisation of accumulated amount of fair value hedge adjustment reclassified to income statement		**89**	8
遞延稅項	Deferred tax		**(165)**	(702)
			1,108	3,720
貨幣換算差額	Currency translation difference		**239**	262
			1,347	3,982
年度除稅後其他全面收益	**Other comprehensive income for the year, net of tax**		**82**	5,342
年度全面收益總額	**Total comprehensive income for the year**		**27,615**	38,696
應佔全面收益總額：	**Total comprehensive income attributable to:**			
本銀行股東	Equity holders of the Bank		**27,434**	38,528
非控制權益	Non-controlling interests		**181**	168
			27,615	38,696

第58至300頁之附註屬本財務報表之組成部分。

The notes on pages 58 to 300 are an integral part of these financial statements.

綜合資產負債表 Consolidated Balance Sheet

於 12 月 31 日	As at 31 December	附註 Notes	2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
資產	**ASSETS**			
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	20	**463,081**	366,636
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	21	**32,745**	46,662
衍生金融工具	Derivative financial instruments	22	**52,811**	31,167
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness		**189,550**	163,840
貸款及其他賬項	Advances and other accounts	23	**1,499,808**	1,412,501
證券投資	Investment in securities	24	**789,869**	739,335
聯營公司及合資企業權益	Interests in associates and joint ventures	25	**663**	619
投資物業	Investment properties	26	**18,740**	20,428
物業、器材及設備	Properties, plant and equipment	27	**46,504**	51,173
應收稅項資產	Current tax assets		**69**	45
遞延稅項資產	Deferred tax assets	34	**95**	63
其他資產	Other assets	28	**50,595**	42,085
資產總額	Total assets		**3,144,530**	2,874,554
負債	**LIABILITIES**			
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	29	**189,550**	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions		**326,241**	267,657
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	30	**20,336**	19,206
衍生金融工具	Derivative financial instruments	22	**60,355**	32,833
客戶存款	Deposits from customers	31	**2,190,322**	2,014,092
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	32	**426**	116
其他賬項及準備	Other accounts and provisions	33	**51,086**	66,945
應付稅項負債	Current tax liabilities		**3,878**	7,906
遞延稅項負債	Deferred tax liabilities	34	**5,778**	6,375
後償負債	Subordinated liabilities	35	**-**	12,954
負債總額	Total liabilities		**2,847,972**	2,591,924

綜合資產負債表（續） Consolidated Balance Sheet (continued)

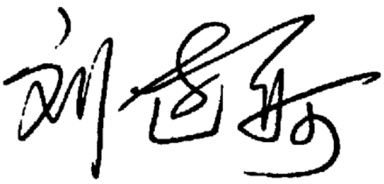
於 12 月 31 日	As at 31 December	附註 Notes	2020	2019
			港幣百萬元 HK$'m	港幣百萬元 HK$'m
資本	**EQUITY**			
股本	Share capital	36	**43,043**	43,043
儲備	Reserves		**229,749**	215,829
本銀行股東應佔股本和儲備	Capital and reserves attributable to equity holders of the Bank		**272,792**	258,872
本銀行其他股權工具	Other equity instruments of the Bank	37	**23,476**	23,476
非控制權益	Non-controlling interests		**290**	282
資本總額	Total equity		**296,558**	282,630
負債及資本總額	Total liabilities and equity		**3,144,530**	2,874,554

第 58 至 300 頁之附註屬本財務報表之組成部分。

The notes on pages 58 to 300 are an integral part of these financial statements.

經董事會於 2021 年 3 月 30 日通過核准並由以下人士代表簽署：

Approved by the Board of Directors on 30 March 2021 and signed on behalf of the Board by:



劉連舸 **LIU Liange**
董事 Director

孫煜 **SUN Yu**
董事 Director

綜合權益變動表 Consolidated Statement of Changes in Equity

		歸屬於本銀行股東 Attributable to equity holders of the Bank											
			儲備 Reserves										
		股本 Share capital	房產重估儲備 Premises revaluation reserve	公平值變動儲備 Reserve for fair value changes	自身信貸風險儲備 Reserve for own credit risk	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	其他股權工具 Other equity instruments	非控制權益 Non-controlling interests	資本總額 Total equity
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	43,043	38,581	(1,870)	5	10,496	(832)	350	153,177	242,950	23,476	278	266,704
年度溢利	Profit for the year	-	-	-	-	-	-	-	33,186	33,186	-	168	33,354
其他全面收益：	Other comprehensive income:												
房產	Premises	-	924	-	-	-	-	-	-	924	-	-	924
以公平值變化計入其他全面收益之股權工具	Equity instruments at fair value through other comprehensive income	-	-	474	-	-	-	-	-	474	-	-	474
自身信貸風險	Own credit risk	-	-	-	(38)	-	-	-	-	(38)	-	-	(38)
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	3,720	-	-	-	-	-	3,720	-	-	3,720
貨幣換算差額	Currency translation difference	-	-	11	-	-	251	-	-	262	-	-	262
全面收益總額	Total comprehensive income	-	924	4,205	(38)	-	251	-	33,186	38,528	-	168	38,696
因處置以公平值變化計入其他全面收益之股權工具之轉撥：	Release upon disposal of equity instruments at fair value through other comprehensive income:												
轉撥	Transfer	-	-	1	-	-	-	-	(1)	-	-	-	-
收購受共同控制之實體	Acquisition of entity under common control	-	-	-	-	-	-	(728)	-	(728)	-	-	(728)
轉撥自留存盈利	Transfer from retained earnings	-	-	-	-	581	-	378	(959)	-	-	-	-
支付其他股權工具持有者股息	Dividend paid to other equity instruments holders	-	-	-	-	-	-	-	(1,390)	(1,390)	-	-	(1,390)
股息	Dividends	-	-	-	-	-	-	-	(20,488)	(20,488)	-	(164)	(20,652)
於 2019年12月31日	At 31 December 2019	43,043	39,505	2,336	(33)	11,077	(581)	-	163,525	258,872	23,476	282	282,630

綜合權益變動表（續） Consolidated Statement of Changes in Equity (continued)

		歸屬於本銀行股東 Attributable to equity holders of the Bank											
			儲備 Reserves										
		股本 Share capital	房產重估儲備 Premises revaluation reserve	公平值變動儲備 Reserve for fair value changes	自身信貸風險儲備 Reserve for own credit risk	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	其他股權工具 Other equity instruments	非控制權益 Non-controlling interests	資本總額 Total equity
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於2020年1月1日	At 1 January 2020	43,043	39,505	2,336	(33)	11,077	(581)	-	163,525	258,872	23,476	282	282,630
年度溢利	Profit for the year	-	-	-	-	-	-	-	27,352	27,352	-	181	27,533
其他全面收益：	Other comprehensive income:												
房產	Premises	-	(1,400)	-	-	-	-	-	-	(1,400)	-	-	(1,400)
以公平值變化計入其他全面收益之股權工具	Equity instruments at fair value through other comprehensive income	-	-	134	-	-	-	-	-	134	-	-	134
自身信貸風險	Own credit risk	-	-	-	1	-	-	-	-	1	-	-	1
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	1,108	-	-	-	-	-	1,108	-	-	1,108
貨幣換算差額	Currency translation difference	-	-	161	-	-	78	-	-	239	-	-	239
全面收益總額	Total comprehensive income	-	(1,400)	1,403	1	-	78	-	27,352	27,434	-	181	27,615
因處置以公平值變化計入其他全面收益之股權工具之轉撥：	Release upon disposal of equity instruments at fair value through other comprehensive income:												
轉撥	Transfer	-	-	(7)	-	-	-	-	7	-	-	-	-
遞延稅項	Deferred tax	-	-	1	-	-	-	-	-	1	-	-	1
應付稅項	Current tax	-	-	-	-	-	-	-	(1)	(1)	-	-	(1)
因贖回界定為以公平值變化計入損益之金融負債之轉撥：	Release upon redemption of financial liabilities designated at fair value through profit or loss:												
轉撥	Transfer	-	-	-	38	-	-	-	(38)	-	-	-	-
遞延稅項	Deferred tax	-	-	-	(6)	-	-	-	-	(6)	-	-	(6)
應付稅項	Current tax	-	-	-	-	-	-	-	6	6	-	-	6
轉撥至留存盈利	Transfer to retained earnings	-	-	-	-	(6,297)	-	-	6,297	-	-	-	-
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	-	-	-	-	-	-	-	(1,376)	(1,376)	-	-	(1,376)
股息	Dividends	-	-	-	-	-	-	-	(12,138)	(12,138)	-	(173)	(12,311)
於2020年12月31日	At 31 December 2020	43,043	38,105	3,733	-	4,780	(503)	-	183,634	272,792	23,476	290	296,558

* 除按香港財務報告準則第 9 號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至監管儲備作銀行一般風險之用（包括未來損失或其他不可預期風險）。

* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKFRS 9.

** 合併儲備乃因合併受共同控制之實體而採用合併會計處理而產生。

** Merger reserve was arising on the application of merger accounting method in relation to the combination with entity under common control.

第 58 至 300 頁之附註屬本財務報表之組成部分。

The notes on pages 58 to 300 are an integral part of these financial statements.

中國銀行(香港)有限公司
BANK OF CHINA (HONG KONG) LIMITED

綜合現金流量表 Consolidated Cash Flow Statement

截至 12 月 31 日止年度	For the year ended 31 December	附註 Notes	2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
經營業務之現金流量	**Cash flows from operating activities**			
除稅前經營現金之流入／（流出）	Operating cash inflow/(outflow) before taxation	38(a)	**148,682**	(264,203)
支付香港利得稅	Hong Kong profits tax paid		**(9,306)**	(77)
支付海外利得稅	Overseas profits tax paid		**(348)**	(625)
經營業務之現金流入／（流出）淨額	**Net cash inflow/(outflow) from operating activities**		**139,028**	(264,905)
投資業務之現金流量	**Cash flows from investing activities**			
增置物業、器材及設備	Additions of properties, plant and equipment		**(1,297)**	(1,418)
處置物業、器材及設備所得款項	Proceeds from disposal of properties, plant and equipment		**11**	1
增置投資物業	Additions of investment properties	26	**(9)**	(35)
收購受共同控制之實體	Acquisition of entity under common control		**-**	(728)
投資業務之現金流出淨額	**Net cash outflow from investing activities**		**(1,295)**	(2,180)
融資業務之現金流量	**Cash flows from financing activities**			
支付本銀行股東股息	Dividend paid to equity holders of the Bank		**(12,138)**	(20,488)
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders		**(1,376)**	(1,390)
支付非控制權益股息	Dividend paid to non-controlling interests		**(173)**	(164)
贖回後償負債所付款項	Payment for redemption of subordinated liabilities	38(b)	**(12,603)**	-
支付後償負債利息	Interest paid for subordinated liabilities	38(b)	**(350)**	(707)
支付租賃負債	Payment of lease liabilities	38(b)	**(692)**	(608)
融資業務之現金流出淨額	**Net cash outflow from financing activities**		**(27,332)**	(23,357)
現金及等同現金項目增加／（減少）	Increase/(decrease) in cash and cash equivalents		**110,401**	(290,442)
於 1 月 1 日之現金及等同現金項目	Cash and cash equivalents at 1 January		**331,459**	625,895
匯率變動對現金及等同現金項目的影響	Effect of exchange rate changes on cash and cash equivalents		**13,568**	(3,994)
於 12 月 31 日之現金及等同現金項目	**Cash and cash equivalents at 31 December**	38(c)	**455,428**	331,459

第 58 至 300 頁之附註屬本財務報表之組成部分。

The notes on pages 58 to 300 are an integral part of these financial statements.

財務報表附註 Notes to the Financial Statements

1. 主要業務 1. Principal activities

本集團主要從事提供銀行及相關之金融服務。

The Group is principally engaged in the provision of banking and related financial services.

本銀行是一家於香港成立的有限債務公司。公司註冊地址是香港花園道 1 號中銀大廈 14 樓。

The Bank is a limited liability company incorporated in Hong Kong. The address of its registered office is 14/F, Bank of China Tower, 1 Garden Road, Hong Kong.

2. 主要會計政策 2. Significant accounting policies

用於編製本綜合財務報表之主要會計政策詳列如下。

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

除特別註明外，該等會計政策均被一致地應用於所有列示之財務年度中。

These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 編製基準 2.1 Basis of preparation

本集團之綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則（香港財務報告準則為一統稱，當中包括所有適用之香港財務報告準則、香港會計準則及詮釋）編製，並符合香港《公司條例》之規定。

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs is a collective term which includes all applicable individual Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA and the Hong Kong Companies Ordinance.

本綜合財務報表乃按歷史成本法編製，惟就重估以公平值變化計入其他全面收益之金融資產、以公平值變化計入損益之金融資產及金融負債（包括衍生金融工具）、以公平值列賬之貴金屬、以公平值列賬之投資物業及以公平值或重估值扣除累計折舊及累計減值損失後列賬之房產作出調整。待出售之處置組合及收回資產會以其賬面值及公平值扣除出售成本之較低者列賬，並已分別列載於附註 2.2 及 2.24。

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, precious metals at fair value, investment properties which are carried at fair value and premises which are carried at fair value or revalued amount less accumulated depreciation and accumulated impairment losses. Disposal group and repossessed assets held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in Notes 2.2 and 2.24 respectively.

按照香港財務報告準則編製財務報表時，需採用若干重大之會計估算。管理層亦需於採用本集團之會計政策時作出有關判斷。當中涉及高度判斷、複雜之範疇、或對綜合財務報表而言屬重大影響之假設及估算，已載於附註 3。

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the Management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 於 2020 年 1 月 1 日起開始的會計年度首次採用之修訂

(a) Amendments that are initially adopted for the financial year beginning on 1 January 2020

修訂 **Amendments**	內容 **Content**	起始適用之年度 **Applicable for financial years beginning on/after**	於本年度與本集團相關 **Currently relevant to the Group**
香港會計準則第 1 號及香港會計準則第 8 號（經修訂）	重大性的定義	2020 年 1 月 1 日	是
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 January 2020	Yes
香港會計準則第 39 號、香港財務報告準則第 7 號及香港財務報告準則第 9 號（經修訂）	基準利率改革	2020 年 1 月 1 日	是
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Interest Rate Benchmark Reform	1 January 2020	Yes
香港財務報告準則第 3 號（經修訂）	對業務的定義	2020 年 1 月 1 日	是
HKFRS 3 (Amendments)	Definition of a Business	1 January 2020	Yes
香港財務報告準則第 16 號（經修訂）	新冠肺炎相關的租金寬免	2020 年 6 月 1 日	是
HKFRS 16 (Amendments)	COVID-19-Related Rent Concessions	1 June 2020	Yes

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 於 2020 年 1 月 1 日起開始的會計年度首次採用之修訂（續）

(a) Amendments that are initially adopted for the financial year beginning on 1 January 2020 (continued)

- 香港會計準則第1號及香港會計準則第8號（經修訂）「重大性的定義」。該項修訂對資訊的重大性之定義作澄清，並使各準則中使用的定義一致。該修訂被前瞻性採用，應用該修訂對本集團的財務報表沒有重大影響。

- HKAS 1 and HKAS 8 (Amendments), “Definition of Material”. The amendments clarify the definition of materiality of information and align the definition used across other accounting standards. The amendments have been applied prospectively. The application of the amendments does not have a material impact on the Group’s financial statements.

- 香港會計準則第 39 號、香港財務報告準則第7號及香港財務報告準則第 9 號（經修訂）「基準利率改革」。該修訂旨在修改一些特定的對沖會計條件，提供暫時性豁免允許原已採用對沖會計的對沖組合在基準利率改革產生對對沖組合現金流的不確定性下繼續應用對沖會計。按該修訂規定，豁免將會於以下較早者被視為終止(i)當基準利率改革產生對對沖組合現金流的不確定性終止時；(ii)當採用豁免的對沖組合終止時，或在現金流對沖下，當與被終止對沖關係相關的現金流對沖儲備金額全數被從分類至損益時。

- HKAS 39, HKFRS 7 and HKFRS 9 (Amendments), “Interest Rate Benchmark Reform”. The amendments modify certain specific hedge accounting requirements to provide temporary relief allowing the continuous use of hedge accounting under the uncertainties caused by interest rate benchmark reform (“IBOR reform”) on the cash flows of the hedge relationships. Pursuant to the amendments, the relief would deem to be ended at the earlier of (i) when there is no longer uncertainty arising from IBOR reform over the cash flows of the hedging relationships, and (ii) when the hedging relationship to which the relief applied is discontinued, or in case of cash flow hedges, when the entire amount accumulated in the cash flow hedge reserve with respect to the discontinued hedging relationship has been reclassified to profit or loss.

  該修訂被追溯性應用，附註 22 提供了集團採用此修訂下之豁免的對沖關係的資料。應用該修訂對本集團的財務報表沒有重大影響。

  The amendments have been applied retrospectively. Note 22 provides information about the hedging relationships for which the Group has applied the reliefs set out in the amendments. The application of the amendments does not have a material impact on the Group’s financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(a) 於 2020 年 1 月 1 日起開始的會計年度首次採用之修訂（續）

- 香港財務報告準則第 3 號(經修訂)「對業務的定義」。該修訂旨在澄清業務的定義，目的是協助企業評估企業合併交易是否應作為企業合併或資產收購入賬。該修訂被前瞻性採用，應用該修訂對本集團的財務報表沒有重大影響。

- 香港財務報告準則第 16 號（經修訂）「新冠肺炎相關的租金寬免」。該修訂旨在提供可選擇性的實務豁免以允許承租人可選擇不需評估合資格之租金寬免是否屬於租賃變更，而是將此等變更當為非租賃變更核算。實務豁免僅適用於因新冠肺炎疫情形勢下直接引起的租金寬免。

  該修訂於 2020 年 6 月 1 日生效，並適用於由 2020 年 1 月 1 日始至 2021 年 6 月 30 日期間因新冠肺炎疫情引起的租金寬免所減少的租賃付款額。本集團選擇提早採用此修訂並將實務豁免應用於本集團於本報告期內全部被授予的合資格與新冠肺炎疫情相關的租金寬免。應用該修訂對本集團的財務報表沒有重大影響。

(a) Amendments that are initially adopted for the financial year beginning on 1 January 2020 (continued)

- HKFRS 3 (Amendments), “Definition of a Business”. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a business combination transaction should be accounted for as a business combination or as an asset acquisition. The amendments have been applied prospectively. The application of the amendments does not have a material impact on the Group’s financial statements.

- HKFRS 16 (Amendments), “COVID-19-Related Rent Concessions”. The amendments provide an optional practical expedient allowing lessees to elect not to evaluate whether qualifying rent concessions are lease modifications and, instead, account for those rent concessions as if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic.

  The amendments are effective on 1 June 2020 and applicable to COVID-19-related rent concessions that reduce lease payments from 1 January 2020 to 30 June 2021. The Group has elected to early adopt the amendments and applied the practical expedient to all qualifying COVID-19-related rent concessions granted to the Group during the reporting period. The application of the amendments does not have a material impact on the Group’s financial statements.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020

修訂／詮釋 **Amendments/Interpretation**	內容 **Content**	起始適用之年度 **Applicable for financial years beginning on/after**	於本年度與本集團相關 **Currently relevant to the Group**
香港會計準則第 1 號（經修訂）	流動或非流動負債之分類	2023 年 1 月 1 日	是
HKAS 1 (Amendments)	Classification of Current or Non-current Liabilities	1 January 2023	Yes
香港會計準則第 16 號（經修訂）	物業、器材及設備達到預定用途前所獲收入	2022 年 1 月 1 日	是
HKAS 16 (Amendments)	Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022	Yes
香港會計準則第 28 號(2011)及香港財務報告準則第 10 號（經修訂）	投資者與其聯營或合資企業之間的資產出售或注入	待定	是
HKAS 28 (2011) and HKFRS 10 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined	Yes
香港會計準則第 37 號（經修訂）	虧損合同 - 履行合同的成本	2022 年 1 月 1 日	是
HKAS 37 (Amendments)	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022	Yes
香港會計準則第 39 號、香港財務報告準則第 4 號、香港財務報告準則第 7 號、香港財務報告準則第 9 號及香港財務報告準則第 16 號（經修訂）	基準利率改革 - 第二階段	2021 年 1 月 1 日	是
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform – Phase 2	1 January 2021	Yes
香港財務報告準則第 3 號（經修訂）	財務報告概念框架的引用	2022 年 1 月 1 日	是
HKFRS 3 (Amendments)	Reference to the Conceptual Framework	1 January 2022	Yes
香港詮釋第 5 號（2020）	財務報表的呈示 - 借款人對包含即時償還條款的定期貸款之分類	2023 年 1 月 1 日	是
HK Int 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023	Yes

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

預計與本集團相關之香港財務報告準則描述如下：

- 香港會計準則第 1 號（經修訂）「流動或非流動負債之分類」。該項修訂旨在協助企業評估附有不確定清償日之債務或其他負債在資產負債表上屬於流動（於一年內到期或可能到期清償）或非流動負債以提倡規定應用之一致性。該修訂對企業如何劃分可以轉換為自身權益作清償之債務的要求作出澄清。該項修訂需追溯性採用及允許企業提前採納。本集團正在評估該修訂對本集團的財務報表的影響。

- 香港會計準則第 16 號（經修訂）「物業、器材及設備達到預定用途前所獲收入」。該修訂禁止企業將物業、器材及設備達到其預定用途前產出的產品的銷售收入沖減其成本，相關產出銷售收入應與其按香港會計準則第 2 號計量的生產成本一併計入損益。該修訂會被追溯性採用，但僅適用於在首次採用該修訂的財務報表所列報的最早期間的期初或之後才達到可使用狀態的物業、器材及設備項目。應用該修訂對本集團的財務報表沒有重大影響。

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

- HKAS 1 (Amendments), “Classification of Current or Non-current liabilities”. The amendments aim to promote consistency in applying the requirements by helping entities determine whether, in the balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt an entity might settle by converting it into equity. The amendments are applied retrospectively. Early adoption is permitted. The Group is considering the impact of the amendments on the Group’s financial statements.

- HKAS 16 (Amendments), “Property, Plant and Equipment: Proceeds before Intended Use”. The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The related sales proceeds together with the costs of providing these items as determined by HKAS 2, should be included in profit or loss. The amendments are applied retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The application of the amendments will not have a material impact on the Group’s financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

- 香港會計準則第 28 號(2011)及香港財務報告準則第 10 號（經修訂）「投資者與其聯營或合資企業之間的資產出售或注入」。該項修訂針對香港會計準則第 28 號(2011)與香港財務報告準則第 10 號之間有關投資者與其聯營或合資企業之間的資產出售或注入的不一致規定。準則修訂之主要影響為當一筆涉及一個營運體的交易（無論其是否屬於附屬公司），應確認全額損益；當一筆交易涉及資產，但該資產並不構成一個營運體（即使屬附屬公司資產），應確認部分損益。該項修訂需前瞻性採用及允許企業提前採納。採用該修訂對本集團的財務報表沒有重大影響。

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

- HKAS 28 (2011) and HKFRS 10 (Amendments), “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”. The amendments address an acknowledged inconsistency between the requirements in HKAS 28 (2011) and those in HKFRS 10, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments are to be applied prospectively and early application is permitted. The application of the amendments will not have a material impact on the Group’s financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

- 香港會計準則第 37 號（經修訂）「虧損合同－履行合同的成本」。該修訂澄清了企業在評估合同是否構成虧損合同時，履行合同的成本需包括履行合同的增量成本及其他履行合同的直接成本的分攤金額。該修訂會應用於企業在首次採用該修訂時已存在的合同，在首次採用日，企業應將採用該修訂的累積影響確認為對留存收益或權益的其他組成部分（如適用）的期初餘額調整。比較信息不予重述。應用該修訂對本集團的財務報表沒有重大影響。

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

- HKAS 37 (Amendments), “Onerous Contracts – Cost of Fulfilling a Contract”. The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendments are applied to contracts for which exist at the date when the amendments are first applied, with the cumulative effect of applying the amendments to be recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. The application of the amendments will not have a material impact on the Group’s financial statements.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

- 香港會計準則第 39 號、香港財務報告準則第 4 號、香港財務報告準則第 7 號、香港財務報告準則第 9 號及香港財務報告準則第 16 號（經修訂）「基準利率改革－第二階段」。該修訂旨在應對企業因基準利率改革而需以替代基準利率取代舊有基準利率所引起的影響。該修訂補充 2019 年頒佈之相關修訂並與以下內容相關：

  - 合約現金流之變更－企業不需要對於由改革所直接引致且其變化是經濟上等同之變更而作出終止確認或賬面值調整的處理，而是將實際利率更新以反映替代基準利率之變更。

  - 對沖會計－若該對沖符合其他對沖會計條件而僅為改革所觸發終止對沖會計，企業可以無需作出終止處理；另一方面，若企業可以合理地預期替代基準利率能夠在 24 個月內單獨識別，即使在指定日期未能單獨識別，仍可指定為非合同明確指定的風險成份；及

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

- HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments), “Interest Rate Benchmark Reform – Phase 2”. The amendments address issues that might affect financial reporting when an entity replaces the old interest rate benchmark with an alternative benchmark rate as a result of the IBOR Reform. The amendments complement those issued in 2019 and relate to:

  - changes to contractual cash flows – a company will not have to derecognise or adjust the carrying amount of financial instruments for changes that are direct consequence of the reform and occur on an economically equivalent basis, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;

  - hedge accounting – a company will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; furthermore, if an entity reasonably expects that an alternative benchmark rate will be separately identifiable within a period of 24 months, it can designate the alternative reference rate as a non-contractually specified risk component even if it is not separately identifiable at the designation date; and

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

- 披露項目－企業需就改革所衍生的風險及過渡至替代基準利率的管理措施作出相關披露。

除指定對沖關係外，該項修訂需追溯性採用並允許企業提前採納，惟比較數字無需重新列示。本集團正在評估該修訂對本集團的財務報表的財務影響。

- 香港財務報告準則第3號（經修訂）「財務報告概念框架的引用」。該修訂更新了香港財務報告準則第3號內一個對於2018年公佈的財務報告概念框架的引用。修訂亦在香港財務報告準則第3號內加入了一個對企業需參考財務報告概念框架中構成資產或負債的要求的豁免，指明採用香港財務報告準則第3號的企業就若干種類的負債或或然負債應改為參考香港會計準則第37號。該豁免被加入後避免了更新對財務報告概念框架的引用後帶來的計劃以外的後果。該項修訂需前瞻性採用。該項修訂允許將同時或之前已採納在2018年6月頒佈香港財務報告準則中對概念性框架之提述的修訂的企業提前採納。應用該修訂對本集團的財務報表沒有重大影響。

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

- disclosures – a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The amendments are applied retrospectively, except regarding designation of hedging relationships. The comparatives are not restated. Early application is permitted. The Group is considering the financial impact of the amendments on the Group's financial statements.

- HKFRS 3 (Amendments), "Reference to the Conceptual Framework". The amendments update a reference in HKFRS 3 to the Conceptual Framework for Financial Reporting issued in 2018. The amendments also add to HKFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability, that for some types of liabilities and contingent liabilities, an entity applying HKFRS 3 should instead refer to HKAS 37. The exception has been added to avoid an unintended consequence of updating the reference to the Conceptual Framework. The amendments are applied prospectively. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in HKFRS Standards, issued in June 2018. The application of the amendments will not have a material impact on the Group's financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.1 編製基準（續） 2.1 Basis of preparation (continued)

(b) 已頒佈但尚未強制性生效及沒有被本集團於 2020 年提前採納之修訂及詮釋（續）

- 香港詮釋第5號（2020）「財務報表的呈示－借款人對包含即時償還條款的定期貸款之分類」。此詮釋為因應2020年8月頒佈之香港會計準則第1號（經修訂）「流動或非流動負債之分類」所引致之修訂，以保持相應的措辭的一致性而不構成結論之變更。該項修訂需追溯性採用及允許企業提前採納。本集團正在評估該詮釋的影響和採用的時間。

(c) 完善香港財務報告準則

「完善香港財務報告準則」包含多項被香港會計師公會認為非緊急但有需要的修訂。當中包括引致在列示、確認或計量方面出現會計變更的修訂，以及多項與個別的香港財務報告準則相關之術語或編輯上的修訂。此等修訂對本集團的財務報表將不會帶來重大影響。

(b) Amendments/Interpretation issued that are not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

- HK Int 5 (2020), “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause”. This interpretation is revised as a consequence of HKAS 1 (Amendments), “Classification of Current or Non-current Liabilities” issued in August 2020, to align the corresponding wordings with no change in conclusion. The amendments are applied retrospectively. Early adoption is permitted. The Group is considering the impact of the interpretation and the timing of its application.

(c) Improvements to HKFRSs

“Improvements to HKFRSs” contains a number of amendments to HKFRSs which the HKICPA considers not urgent but necessary. It comprises amendments that result in accounting changes for presentation, recognition or measurement purpose as well as terminology or editorial amendments related to a variety of individual HKFRSs. These improvements will not have a material impact on the Group’s financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表

綜合財務報表包含本銀行及所有其附屬公司截至 2020 年 12 月 31 日的財務報表。

(1) 附屬公司

附屬公司是指由本集團直接或非直接控制的企業（包括結構性實體）。控制體現為本集團涉及，或有權從參與被投資企業業務中取得可變動回報，並有權力通過被投資企業影響自身回報（即賦予本集團現行權力以指引被投資企業的相關活動）。當本集團對被投資企業的直接或間接表決權或類似權利少於大多數時，本集團會考慮所有相關的事實及情況，以評估是否對該被投資企業存在控制權，包括：(a) 與被投資企業其他表決者的合同安排；(b) 由其他合同安排所產生的權利；及(c) 本集團的表決權及潛在表決權。附屬公司於控制權轉入本集團之日起完全納入合併，並於本集團的控制權終止當日不再納入合併。

2.2 Consolidation

The consolidated financial statements include the financial statements of the Bank and all of its subsidiaries for the year ended 31 December 2020.

(1) Subsidiaries

Subsidiaries are entities (including structured entities), directly or indirectly, controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e. existing rights that give the Group the current ability to direct the relevant activities of the investee). When the Group has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: (a) the contractual arrangement with the other vote holders of the investee; (b) rights arising from other contractual arrangements; and (c) the Group's voting rights and potential voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(1) 附屬公司（續） (1) Subsidiaries (continued)

如本集團對附屬公司失去控制權，將會終止確認 (i) 該附屬公司的資產（包括商譽）及負債，(ii) 非控制權益的賬面值；並確認 (i) 收取作價的公平值，(ii) 保留對該前附屬公司之尚餘投資的公平值；按直接出售有關資產或負債相同的基準，以合適的做法，將之前已確認於其他全面收益的金額重分類至收益表或留存盈利；於收益表將最終差額確認為盈虧。

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interests; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment in that former subsidiary retained; reclassifies the amounts previously recognised in other comprehensive income to the income statement or retained earnings, as appropriate, on the same basis as directly disposed of the related assets or liabilities; recognises any resulting differences as gain or loss in the income statement.

如本集團董事會已議決一項涉及失去附屬公司控制權（處置組合）的出售計劃，且不大可能撤回或作重大改變，並於報告日或以前符合以下所有條件：(i) 將主要通過出售交易而非繼續使用以回收其賬面值；(ii) 該附屬公司的現況（除受制於類似交易的慣常條款外）可即時出售而該出售交易之可能性很大，包括股東批准的可能性很高（如需要）；(iii) 已啟動一活躍的計劃，以合理的價格尋求買家，及將於一年內完成相關交易，無論本集團於出售後會否保留非控制性權益，本集團會將該附屬公司的資產及負債分類為待出售。處置組合（除投資物業及金融工具外）以其賬面值及公平值扣除出售成本之較低者作初始確認及後續計量。待出售的物業、器材及設備不會進行折舊。

If the Group is committed by the Board to a sale plan involving loss of control of a subsidiary (a disposal group) that is unlikely to be withdrawn or changed significantly, the Group shall classify all the assets and liabilities of that subsidiary as held for sale only when the following criteria are met on or before the end of the reporting period: (i) the carrying amount will be recovered principally through a sale transaction rather than through continuing use; (ii) the subsidiary is available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of its kind and its sale must be highly probable, including a high probability of shareholders' approval, if needed; (iii) an active programme to locate a buyer at a reasonable price has been initiated and to complete the sale within one year, regardless of whether the Group will or will not retain a non-controlling interest after the sale. Disposal group (other than investment properties and financial instruments) is initially recognised and subsequently remeasured at the lower of its carrying amount and fair value less costs to sell. Properties, plant and equipment classified as held for sale are not depreciated.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(1) 附屬公司（續） (1) Subsidiaries (continued)

(i) 非受共同控制的業務合併 (i) Business combinations not under common control

收購非受共同控制之業務時，應以收購法進行會計處理。業務合併的代價乃集團因換取被收購方的控制權，而在收購當日所轉讓的資產的公平值、所產生的負債（包括或然代價安排）、以及所發行的權益。與收購相關的成本會於發生時於收益表內確認。

Acquisitions of businesses not under common control are accounted for using the acquisition method. The consideration transferred in a business combination is the fair values at the acquisition date of the assets transferred, the liabilities incurred (including contingent consideration arrangement) and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed in the income statement as incurred.

轉讓的代價、持有被收購方的非控制權益金額、以及本集團之前已持有被收購方之權益的公平值（如有）之總和，其高於收購日的被收購可識別資產及需承擔負債的淨值，被計量為商譽。如經評估後，被收購方的可識別淨資產的公平值高於轉讓的代價、持有被收購方的非控制權益金額、以及本集團之前已持有被收購方之權益的公平值（如有）之總和，多出的部分將即時於收益表內被確認為優惠收購收益。之後，需至少每年對商譽進行減值測試。

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after assessment, the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held interest in the acquiree (if any), the excess is recognised immediately in the income statement as a gain on bargain. Subsequently, goodwill is subject to impairment testing at least annually.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(1) 附屬公司（續） (1) Subsidiaries (continued)

(i) 非受共同控制的業務合併（續） (i) Business combinations not under common control (continued)

當集團於業務合併時轉讓的代價包含因或然代價安排而產生的資產或負債時，有關的或然代價將按收購日的公平值計量，並被視為業務合併時所轉讓代價的一部分。符合作為計量期間調整的或然代價的公平值變動，需以追溯方式進行調整，並需於商譽或優惠收購收益內進行相應的調整。計量期間調整是指於計量期間，取得與收購日已存在的事實或情況相關的額外資訊而產生的調整。計量期間為自收購日起計的一年之內。

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at fair value at the acquisition date and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. The measurement period does not exceed one year from the acquisition date.

以逐項收購為基準，本集團可選擇以公平值或按非控制權益之比例攤佔被收購方之可識別淨資產之公平值，來確認被收購方之非控制權益。

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(1) 附屬公司（續） (1) Subsidiaries (continued)

(ii) 受共同控制的業務合併 (ii) Business combinations under common control

合併會計處理會被應用於合併受共同控制之公司。合併會計的原則是按被收購方之業務乃一直由收購方經營的假設，去合併受共同控制的公司。本集團的綜合財務報表之綜合業績，綜合現金流量及綜合財務狀況，會按本銀行與被收購方自最初受到共同控制後，即進行合併的假設而編製（即在合併日不需進行公平值調整）。在合併時的代價與賬面值的差額，將於權益內確認。在編製本集團的綜合財務報表時，對於所有本集團與被收購方之間的交易，不論是在合併前或是在合併後發生，其影響均會被對銷。比較數據乃按被收購方之業務於之前會計結算日經已合併來列示。合併之交易成本會於收益表上被列支為費用。

For a combination with a company under common control, the merger accounting method will be applied. The principle of merger accounting is a way to combine companies under common control as though the business of the acquiree had always been carried out by the acquirer. The Group's consolidated financial statements represent the consolidated results, consolidated cash flows and consolidated financial position of the Group as if any such combination had occurred from the date when the Bank and the acquiree first came under common control (i.e. no fair value adjustment on the date of combination is required). The difference between the consideration and carrying amount at the time of combination is recognised in equity. The effects of all transactions between the Group and the acquiree, whether occurring before or after the combination, are eliminated in preparing the consolidated financial statements of the Group. Comparative amounts are presented as if the acquiree had been combined at the beginning of the previous reporting period. The transaction costs for the combination will be expensed in the income statement.

集團內部交易、交易餘額、以及未實現收益已被對銷；除非能提供集團內交易所轉讓資產已發生減值的證據，否則未實現損失也將被對銷。如有需要，附屬公司的會計政策會作出適當調整，以確保本集團所採用會計政策的一致性。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(1) 附屬公司（續） (1) Subsidiaries (continued)

於本銀行的資產負債表內，對附屬公司的投資是以成本扣除減值損失準備列賬。本銀行按照已收及應收股息基準確認附屬公司之業績。當本銀行具有權利收取附屬公司的派息時，將於收益表內確認。

In the Bank's balance sheet, the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Bank on the basis of dividends received and receivable. Dividend income from subsidiaries is recognised in the income statement when the right to receive payment is established.

(2) 與非控制權益的交易 (2) Transactions with non-controlling interests

在沒有改變控制權益的情況下，與非控制權益的交易被視為與持有本集團權益者之交易。若從非控制權益購入，付出之代價及攤佔有關附屬公司的淨資產賬面值的差額，於權益內確認。出售權益予非控制權益的收益或虧損，亦需於權益內確認。

The Group treats transactions with non-controlling interests without change of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recognised in equity. Gains or losses on disposals to non-controlling interests are also recognised in equity.

當本集團對附屬公司失去控制權或重大影響力時，任何保留之權益應以公平值重新計量，賬面值的變動在收益表內確認。該公平值乃日後計量繼續持有該等聯營公司、合資企業或金融資產之保留權益的初始賬面值。此外，過往曾經於其他全面收益內確認之有關該公司的金額，將按本集團直接出售有關資產或負債處理。先前已計入其他全面收益的金額會適當地重新分類至收益表或留存盈利內。

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. Amounts previously recognised in other comprehensive income are reclassified to the income statement or retained earnings, as appropriate.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(3) 聯營公司及合資企業 (3) Associates and joint ventures

聯營公司是指本集團對其雖無控制或共同控制權但能夠施加重大影響的企業，通常本集團擁有其 20%至 50%的表決權。

An associate is the entity over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

合資企業為合資安排的一種，雙方協議對該合資企業的淨資產擁有共同控制權。共同控制為合同認可的共同控制權，只會在相關業務的決定需各控制方一致同意時出現。

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

本集團對聯營公司及合資企業的股權投資按照初始投資成本計量，並採用權益法進行核算，除非該股權投資被分類為待出售（或包括在待出售之處置組合內）。本集團對聯營公司及合資企業的投資包含扣除累計減值損失後之商譽及任何有關之累計外幣換算差額。

Investments in associates and joint ventures are accounted for using the equity method of accounting and are initially recognised at cost, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The Group's investments in associates and joint ventures include goodwill, net of accumulated impairment loss and any related accumulated foreign currency translation difference.

本集團購買聯營公司或合資企業後，於收益表中確認應佔的購入後收益或虧損，及於儲備內確認應佔的購入後儲備變動，並將於投資成本中調整購買聯營公司或合資企業後其發生的累計變動。除非本集團已為聯營公司或合資企業承擔債務或已為其墊付資金，否則本集團在確認應佔聯營公司或合資企業發生的虧損時，將以投資賬面價值為限。

The Group's share of the post-acquisition profits or losses of associates or joint ventures is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The accumulated post-acquisition movements are adjusted against the cost of the investment. When the Group's share of losses in an associate or a joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses unless the Group has incurred obligations or made payments on behalf of the associates or joint ventures.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.2 綜合財務報表（續） 2.2 Consolidation (continued)

(3) 聯營公司及合資企業（續） (3) Associates and joint ventures (continued)

本集團與聯營公司或合資企業間交易的未實現收益按本集團在聯營公司或合資企業的投資比例進行抵銷；除非交易提供了轉讓資產已發生減值的證據，否則未實現損失也將被抵銷。

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

若對聯營公司或合資企業的權益減少但影響力保留，只需按比例將過往曾在其他全面收益內確認的金額重新分類至收益表或未分配利潤內。

If the ownership interest in an associate or a joint venture is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the income statement or retained earnings, where appropriate.

2.3 分類報告 2.3 Segmental reporting

分類的經營業績與呈報予管理委員會的內部報告方式一致，管理委員會乃本集團的總體營運決策核心，負責資源分配及對營運分類的表現評估。在釐定經營分類表現時，將會包括與各分類直接相關的收入及支出。

The operating result of segments are reported in a manner consistent with the internal reporting provided to the Management Committee, which is the chief operating decision maker of the Group, that allocates resources and assesses the performance of operating segments. Income and expenses directly associated with each segment are included in determining operating segment performance.

2.4 外幣換算 2.4 Foreign currency translation

本集團各企業的財務報表所載項目均按各企業於主要經濟環境營運的貨幣計量(「功能貨幣」)。本綜合財務報表以港幣列示，即本銀行之功能及呈列貨幣。

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Bank's functional and presentation currency.

外幣交易均按交易或重新計量項目之估值當日的即期匯率換算為功能貨幣。外幣交易以交易日之匯率結算所引致的匯兑損益，以及以外幣為本位的貨幣性資產及負債按會計結算日的匯率換算的匯兑損益，均直接於收益表確認，惟於其他全面收益內遞延作為合資格現金流對沖或合資格淨投資對沖除外。

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or exchange rates at the end of the reporting period for items that are re-measured. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions using the exchange rates prevailing at the dates of the transactions and monetary assets and liabilities denominated in foreign currencies translated at the exchange rate at the end of the reporting period are recognised directly in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges or qualifying net investment hedges.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.4 外幣換算（續） 2.4 Foreign currency translation (continued)

以公平值變化計入損益的貨幣性證券的兌換差額會列作公平值收益或虧損的一部分。對於被分類為以公平值變化計入其他全面收益，以外幣為本位的貨幣性證券，其公平值變動可分為源自證券攤餘成本變動的兌換差額和證券賬面值的其他兌換變動兩部分。源自證券攤餘成本變動的兌換差額會於收益表內確認，而證券賬面值的其他兌換變動則被確認於其他全面收益。

Translation differences on monetary securities held at fair value through profit or loss are reported as part of the fair value gain or loss. Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in the amortised cost are recognised in the income statement, and other changes in the carrying amount are recognised in other comprehensive income.

對於非貨幣性項目（例如以公平值變化計入損益之股權投資），其兌換差額會列作公平值收益或虧損的一部分。而非貨幣性金融資產（例如以公平值變化計入其他全面收益之股權投資）的兌換差額會包含在其他全面收益內。

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in other comprehensive income.

所有本集團內非以港幣為功能貨幣的企業，其業績及財務狀況按以下方式換算為港幣：

- 資產及負債按會計結算日之收市匯率換算；
- 收入及支出按平均匯率換算；及
- 所有產生之換算差額確認於權益項目下之貨幣換算儲備內。

The results and financial position of all the group entities that have a functional currency different from Hong Kong dollars are translated into Hong Kong dollars as follows:

- assets and liabilities are translated at the closing rate at the end of the reporting period;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in the currency translation reserve in equity.

於合併財務報表時，換算對外國企業之淨投資、借款及其他被界定為對沖此投資的貨幣工具所產生之換算差額需列入其他全面收益及分別累計於貨幣換算儲備中。當出售該外國企業投資時，此外幣兌換差額需列作出售收益或虧損的一部分，並由權益中重新分類至收益表內。

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, borrowings and other currency instruments designated as hedges of such investments are taken to other comprehensive income and are accumulated separately in the translation reserve. When a foreign entity is disposed, such exchange differences are reclassified from equity to the income statement, as part of the gain or loss on sale.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.5 衍生金融工具及對沖會計 2.5 Derivative financial instruments and hedge accounting

衍生金融工具以衍生交易合同簽訂當日的公平值進行初始確認，並以公平值進行後續計量。公平值從活躍市場上的公開市場報價中取得，包括最近的市場交易，或通過使用估值方法，包括貼現現金流量分析模型、期權定價模型（如適用）。當公平值為正值時，衍生金融工具將被列為資產；當公平值為負值時，則被列為負債。

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and through the use of valuation techniques, including discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

若干衍生金融工具會嵌藏在金融負債中，當其經濟特徵和風險與主合同沒有緊密關聯，而主合同並非以公平值變化計入損益時，這些嵌藏式衍生金融工具需要單獨以公平值計量，並且其公平值變化計入收益表。

Certain derivatives embedded in financial liabilities are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement.

除非衍生金融工具已被界定為用作對沖，並且是屬於有效之對沖工具，則需按對沖會計之要求計量，否則，將被分類為持作交易用途，其公平值變動即時於收益表內確認。

Derivatives are categorised as held for trading and changes in their fair value are recognised immediately in the income statement unless they are designated as hedges and are effective hedging instruments, then they are subject to measurement under the hedge accounting requirements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.5 衍生金融工具及對沖會計（續） 2.5 Derivative financial instruments and hedge accounting (continued)

對於在有效對沖中被界定為對沖工具的衍生金融工具，確認其收益或虧損的方法是按被對沖項目的性質而定。本集團界定若干衍生金融工具為以下其中一項：

(a) 對沖已確認之資產、負債或為確切承擔之公平值作對沖（公平值對沖）；或

(b) 對沖與已確認之資產、負債相關，或與高度可能發生的預期交易相關，並高度可能發生的未來現金流的某一特定風險（現金流對沖）。

本集團於交易發生時會記錄對沖工具與相關被對沖項目之關係、風險管理目的和進行各類對沖交易時所採取之策略。本集團並於對沖活動發生時及期間，評估其經濟關係、信貸風險、對沖比例，及對沖工具能否有效抵銷相關被對沖項目之公平值或現金流變動，並作出記錄。此等乃符合採用對沖會計方法處理之先決條件。對沖會計可能會因對沖工具和被對沖項目失去經濟關係，或交易對手的信用風險重大變化主導對沖工具和被對沖項目的公平值變化而無效。

For derivative instruments being designated as hedging instrument in an effective hedge, the method of recognising the resulting fair value gain or loss depends on the nature of the item being hedged. The Group designates certain derivatives as either:

(a) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or

(b) hedges of a particular risk associated with a highly probable future cash flow attributable to a recognised asset or liability, or a highly probable forecast transaction (cash flow hedge).

The Group documents at inception the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at the hedge inception and on an ongoing basis, of the economic relationship, credit risks, the hedge ratio and an evaluation of the effectiveness of the hedging instruments in offsetting changes in fair values or cash flows of hedged items. These criteria should be met before a hedge can be qualified to be accounted for under hedge accounting. Hedge accounting may become ineffective if the hedging instrument and the hedged item lose economic relationship, or a significant change of the counterparties' credit risks that dominates the fair value change of the hedging instruments or the hedged items.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.5 衍生金融工具及對沖會計（續） 2.5 Derivative financial instruments and hedge accounting (continued)

(a) 公平值對沖 (a) Fair value hedge

被界定為有效之公平值對沖，其衍生金融工具之公平值變動，連同被對沖風險之資產或負債相關之公平值變動，一併於收益表內確認。

Changes in the fair value of derivatives that are designated and qualified as effective fair value hedges are recognised in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

當公平值對沖會計被應用以攤餘成本作計量的金融工具時，被對沖項目的賬面值會按已被衍生工具對沖的利率風險的公平值變動金額而調整，而不是以攤餘成本列賬，該賬面值的調整與用作對沖之衍生工具的公平值變化，將一併於收益表內確認。

When fair value hedge accounting is applied to financial instruments carried at amortised costs, the carrying values of the hedged items are adjusted for changes in fair value that are attributable to the interest rate risk being hedged with the derivative instruments rather than carried at amortised cost, such carrying value adjustment is recognised in the income statement together with the changes in fair value of the hedging derivatives.

若對沖關係不再符合對沖會計之要求或對沖關係終止，但並非基於被對沖項目還款等原因而終止確認，則尚未完成攤銷的被對沖項目賬面值調整餘額（即在對沖關係終止時，被對沖項目的賬面值，與假設對沖從沒有存在的情況下的賬面值，兩者之間的差異），將按被對沖項目的剩餘年期，以實際利息法被攤銷至收益表內。如被對沖項目被終止確認，未完成攤銷的賬面值調整餘額將即時於收益表內確認。

If the hedge relationship no longer meets the criteria for hedge accounting or is terminated for reasons other than derecognition, e.g. due to repayment of the hedged item, the unamortised carrying value adjustment (the difference between the carrying value of the hedged item at the time of termination and the value at which it would have been carried had the hedge never existed) to the hedged item is amortised to the income statement over the remaining life of the hedged item by the effective interest method. If the hedged item is derecognised, the unamortised carrying value adjustment is recognised immediately in the income statement.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.5 衍生金融工具及對沖會計（續） 2.5 Derivative financial instruments and hedge accounting (continued)

(a) 公平值對沖（續）

當公平值對沖會計中被對沖項目為公平值計入其他全面收益的債務金融工具時，在對沖會計期間其公平值變動金額應計入收益表。若對沖關係不再符合對沖會計之要求或對沖關係終止，但並非基於被對沖項目還款等原因而終止確認，其以於收益表內確認與對沖有效之部分相關的公平值變化應以實際利息法被攤銷回估值儲備內。而當被對沖項目被終止確認時，未完成攤銷的賬面值調整餘額將即時重分類至估值儲備。

(a) Fair value hedge (continued)

For fair value hedge relationships where the hedged items are debt instruments carried at FVOCI, changes in fair value are recorded in the income statement whilst hedge accounting is in place. When the hedge relationship no longer meets the criteria for hedge accounting or is terminated for reasons other than derecognition, the cumulative effective hedged portion of fair value change recognised in the income statements are amortised by the effective interest method back to the revaluation reserve. If the hedged item is derecognised, the unamortised cumulative effective hedged portion of fair value change recognised in the income statement are reclassified to revaluation reserve immediately.

(b) 現金流對沖

對於已被界定為符合採用現金流對沖，並且有效的衍生金融工具，其公平值變動的有效部分將會於其他全面收益內確認及於權益內累計。無效部分的收益或虧損即時於收益表內確認。於權益內累計的金額，會於被對沖項目影響損益期間重新分類至收益表內。

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit or loss.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.5 衍生金融工具及對沖會計（續） 2.5 Derivative financial instruments and hedge accounting (continued)

(b) 現金流對沖（續） (b) Cash flow hedge (continued)

當對沖工具到期或被出售，或當對沖不再符合對沖會計之要求，任何已記入權益的累計收益或虧損仍保留於權益內，直至預期交易最終被確認時，才確認於收益表內。當預期交易預計不會再發生時，累計於權益的收益或虧損會即時被重新分類至收益表內。

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss existing in equity at that time remains in equity and is recognised in the income statement when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the accumulated gain or loss that was reported in equity is immediately reclassified to the income statement.

(c) 淨投資對沖 (c) Net investment hedge

對海外運作淨投資對沖與現金流對沖的處理方法相似。對沖工具有效對沖部分的收益或虧損，會於其他全面收益內確認及於權益內累計；無效部分的收益或虧損即時於收益表內確認。之前於其他全面收益中累計的收益或虧損金額會列作出售收益或虧損的一部分，並於出售海外運作時被重新分類至收益表內。

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. A gain or loss on the effective portion of the hedging instrument is recognised in other comprehensive income and accumulated in equity; a gain or loss on the ineffective portion is recognised immediately in the income statement. Accumulated gains and losses previously recognised in other comprehensive income are reclassified to the income statement upon disposal of the foreign operation as part of the gain or loss on disposal.

2.6 金融工具之抵銷 2.6 Offsetting financial instruments

若存在法律上可行使的權利，可對已確認入賬之項目進行抵銷，且有意以淨額方式結算，或將資產變現並同時清償債務，則金融資產及金融負債可予抵銷，並把淨額於資產負債表內列賬。

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.7 收入及支出 2.7 Income and expense

(1) 利息收入及支出 (1) Interest income and expense

所有以攤餘成本及以公平值變化計入其他全面收益計量的金融資產和金融負債，其利息收入和支出按實際利息法在收益表中確認。類似由以公平值變化計入損益計量的非衍生工具類資產產生的利息收入及支出亦以類似方法但剔除交易費用計算。

Interest income and expense are recognised in the income statement for all financial assets carried at amortised cost and fair value through other comprehensive income, and financial liabilities using the effective interest method. Similar interest income and expense arising from non-derivative financial assets and liabilities carried at fair value through profit or loss are determined using similar method, but excluding their transaction costs.

實際利息法是一種計算金融資產或金融負債的攤餘成本以及在相關期間分攤利息收入或利息支出的方法。實際利率是在金融工具預計到期日或較短期間（如適用）內，將其未來收到或付出的現金流貼現為金融資產或金融負債賬面淨額所使用的利率。在計算實際利率時，本集團在估計未來現金流時，會考慮金融工具的所有合同條款（如提前還款權或為住宅按揭貸款客戶提供的優惠），但不會考慮未來的信用損失。計算範圍包括訂約各方所支付或所收取的費用、溢價或折讓和點子，以及貸款貸出時產生而屬於整體有效利息一部分之相關費用及成本。

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument (e.g. prepayment options or incentives relating to residential mortgage loans) but does not consider future credit losses. The calculation includes fees, premiums or discounts and basis points paid or received between parties to the contract, and directly attributable origination fees and costs which represent an integral part of the effective yield.

對於所有以利率為被對沖風險的對沖交易，源自定息債務證券或定息後償票據等被對沖工具的利息收入或利息支出，與源自利率掉期等對沖工具的利息收入／支出合併，以淨額為基準作出披露。

For all hedge transactions where interest rate is the hedged risk, interest income or interest expense from hedged instruments such as fixed rate debt securities or fixed rate subordinated notes are disclosed on a net basis together with net interest income/expense arising from the hedging instrument such as interest rate swap.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.7 收入及支出（續） 2.7 Income and expense (continued)

(2) 非利息收入及支出 (2) Non-interest income and expense

當集團在某一時點或在一段時間以客戶獲得對服務的控制權為基準完成履行其履約義務即確認收入。

Income from service is recognised when the Group fulfils its performance obligation, either over time or at a point in time on a basis when a customer obtains control of the service.

當在合同規定下相關服務需要在一定時間內提供包括戶口服務及信用卡費用，該服務之費用收入應按有系統性之基準以固定或可變價格在協議有效期內隨時間所確認。若在交易為基礎之安排下，服務費收入應在服務完整地提供予客戶後之單一時點確認，包括經紀服務及銀團貸款安排費。

Fee income from services are recognised over time at a fixed or variable price on a systematic basis over the life of the agreement when the contract requires services to be provided over time such as account service and credit card fees, or recognised at a point in time under transaction-based arrangements when service has been fully provided to the customer such as broking services and loan syndication arrangement.

股息收入在當具有權利收取該股息時確認。

Dividend income is recognised when the right to receive payment is established.

2.8 金融資產 2.8 Financial assets

本集團將金融資產於初始確認時分類為以下計量類別：以公平值變化計入損益作後續計量、以攤餘成本作後續計量及以公平值變化計入其他全面收益作後續計量。該分類取決於企業管理金融工具的業務模型，以及該工具的合約現金流特徵，或企業對公平值選擇權的決定。所有金融資產以公平值作初始確認。除以公平值變化計入損益之金融資產外，其他金融資產之交易成本均已包含於初始賬面值內。

The Group classifies its financial assets into one of the following measurement categories at initial recognition as subsequently measured at: fair value through profit or loss (“FVPL”), amortised cost and fair value through other comprehensive income (“FVOCI”). The classification depends on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instruments, or the election of fair value option. All financial assets are recognised initially at fair value. Except for financial assets carried at FVPL, all transaction costs of financial assets are included in their initial carrying amounts.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.8 金融資產（續） 2.8 Financial assets (continued)

(1) 以公平值變化計入損益之金融資產 (1) Financial assets at fair value through profit or loss

此分類包含兩個子分類：交易發生時即界定為以公平值變化計入損益之金融資產及強制要求以公平值計量的金融資產，包括持作交易用途的金融資產。

This category has two sub-categories: financial assets designated at fair value through profit or loss at inception, or financial assets mandatorily required to be measured at fair value through profit or loss, including those held for trading.

如果取得該金融資產主要是以短期沽售為目的，或屬於組合一部分並共同管理的可識別金融工具，若有證據表明其短期獲利行為，則被分類為持作交易用途。除被界定為有效對沖工具外，所有衍生金融工具均被分類為持作交易用途類別。

A financial asset which has been acquired or incurred principally for the purpose of selling in the short term or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking is classified as held for trading. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

除持作交易用途或強制要求以公平值計量的金融資產外，如可以消除或明顯減少因按不同基準計量金融資產之價值，或確認其收益或虧損，而出現不一致之計量或確認情況（一般被稱為「會計錯配」），且被管理層因此作出界定，該金融資產會被界定為以公平值變化計入損益之金融資產。

A financial asset, other than those held for trading or mandatorily measured at fair value, will be designated as a financial asset at FVPL, if it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial assets or recognising the gains and losses on them on different bases, and is so designated by the Management.

這些資產以公平值進行初始確認，交易費用直接計入收益表，並以公平值進行後續計量。

These assets are recognised initially at fair value, with transaction costs taken directly to the income statement, and are subsequently re-measured at fair value.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.8 金融資產（續） 2.8 Financial assets (continued)

(1) 以公平值變化計入損益之金融資產（續） (1) Financial assets at fair value through profit or loss (continued)

該等資產的公平值變化所產生的損益（不包括利息部分）計入淨交易性收益／虧損或界定為以公平值變化計入損益之金融工具淨收益／虧損。而利息部分則計入作為利息收入之一部分。此類資產項下之股份權益工具，其股息於本集團收取股息之權利確定時，於淨交易性收益／虧損或界定為以公平值變化計入損益之金融工具淨收益／虧損內確認。

Gains and losses from changes in the fair value of such assets (excluding the interest component) are reported in net trading gain/loss or net gain/loss on financial instruments designated at FVPL. The interest component is reported as part of the interest income. Dividends on equity instruments of this category are also recognised in net trading gain/loss or net gain/loss on financial instruments designated at FVPL when the Group's right to receive payment is established.

(2) 以攤餘成本計量之金融資產 (2) Financial assets at amortised cost

如金融資產達到以下兩個條件，則分類為以攤餘成本作後續計量：(i)該金融資產是以收取合約現金流為目的的業務模型持有，及(ii)該金融資產的合約條款在指定日期產生的現金流僅為本金和未償還本金餘額之利息的支付。此類金融資產以公平值加上直接相關的交易費用進行初始入賬，隨後以實際利息法計算攤餘成本扣除減值損失作後續計量。包括折溢價攤銷的利息收入將按照實際利息法計算確認在收益表中。資產終止確認、修改或減值產生的收益或損失在損益中確認。

Financial assets are classified as subsequently measured at amortised cost if both of the following conditions are met: (i) the financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows ("hold-to-collect" business model), and (ii) the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates. They are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses. Interest income which includes the amortisation of premium or discount is calculated using the effective interest method and is recognised in the income statement, gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.8 金融資產（續） 2.8 Financial assets (continued)

(3) 以公平值變化計入其他全面收益之金融資產 (3) Financial assets at fair value through other comprehensive income

如達到以下兩個條件，則金融工具分類為公平值變化計入其他全面收益作後續計量之金融資產：(i)該金融資產是以收取合約現金流和出售為目的的業務模型持有；及(ii)該金融資產的合約條款在指定日期產生的現金流僅為本金和未償還本金餘額之利息的支付。

Debt instruments are classified as subsequently measured at FVOCI if both of the following conditions are met: (i) the financial assets are held within a business model with the objective of both holding to collect contractual cash flows and selling, and (ii) the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

以公平值變化計入其他全面收益之金融資產以公平值加上直接相關的交易費用進行初始確認，並以公平值進行後續計量。因該等金融資產之公平值變化而產生之未實現收益或虧損直接確認在其他全面收益中；當該類金融資產終止確認或減值時，之前確認於權益中的累計收益或虧損將轉入收益表內。惟包括折溢價攤銷的利息收入將按照實際利息法計算確認在收益表中。

Financial assets at FVOCI are initially recognised at fair value plus any directly attributable transaction costs, and are subsequently measured at fair value. Unrealised gains or losses arising from changes in the fair value of the financial assets are recognised directly in other comprehensive income, until the financial asset is derecognised or impaired at which time the accumulated gain or loss previously recognised in equity should be transferred to the income statement. However, interest income which includes the amortisation of premium and discount is calculated using the effective interest method and is recognised in the income statement.

對於股權投資，可以在初始確認時進行不可撤銷的選擇，確認其未實現和已實現的公平值收益或虧損在其他全面收益中，即使在處置時也無需將公平值損益重新分類至收益表。分類為以公平值變化計入其他全面收益之股份權益工具，其股息於本集團收取股息之權利確定時於其他經營收入內確認。指定為公平值計入其他全面收益的股權投資無需進行減值評估。

For equity investments, an irrevocable election can be made at initial recognition to recognise unrealised and realised fair value gains or losses in other comprehensive income without subsequent reclassification of fair value gains or losses to the income statement even upon disposal. Dividends on equity instruments classified as FVOCI are recognised in other operating income when the Group’s right to receive payment is established. Equity instruments designated at FVOCI are not subject to impairment assessment.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.8 金融資產（續） 2.8 Financial assets (continued)

(3) 以公平值變化計入其他全面收益之金融資產（續）

以公平值變化計入其他全面收益之證券的兌換差額的處理方法已詳列於附註 2.4。

(3) Financial assets at fair value through other comprehensive income (continued)

The treatment of translation differences on FVOCI securities is dealt with in Note 2.4.

2.9 金融負債 2.9 Financial liabilities

本集團按以下類別分類金融負債：交易性負債、界定為以公平值變化計入損益之金融負債、存款、已發行債務證券及存款證、後償負債及其他負債。所有金融負債於交易發生時界定其分類並以公平值進行初始確認，非以公平值變化計入損益之金融負債則需加減交易成本。

The Group classifies its financial liabilities under the following categories: trading liabilities, financial liabilities designated at fair value through profit or loss, deposits, debt securities and certificates of deposit in issue, subordinated liabilities, and other liabilities. All financial liabilities are classified at inception and recognised initially at fair value, and in the case of financial liability not at fair value through profit or loss, plus or minus transaction costs.

(1) 交易性負債

旨在短期內購回之金融負債被分類為持作交易用途之負債。交易性負債以公平值列賬，公平值之變動所產生的收益或虧損確認於收益表內，利息部分則計入作為利息支出的一部分。

(1) Trading liabilities

A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing in the short term. It is measured at fair value and any gains and losses from changes in fair value are recognised in the income statement, with interest component being reported as part of the interest expenses.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.9 金融負債（續） 2.9 Financial liabilities (continued)

(2) 界定為以公平值變化計入損益之金融負債

金融負債於交易時被界定為以公平值變化計入損益之金融負債。被界定為此類別之金融負債包括若干已發行之存款證及若干嵌藏衍生金融工具之客戶存款。符合以下其中之一項條件之金融負債一般會被界定為此類別：

- 可以消除或明顯減少因按不同基準計量金融負債之價值，或確認其收益或虧損，而出現不一致之計量或確認情況（一般被稱為「會計錯配」）；或
- 應用於一組金融資產、金融負債、或兩者兼有的組合，其管理是依據事先書面確立的風險管理或投資策略來運作，其表現是按公平值為基礎來衡量，並按此基礎將該組金融工具的資訊向主要管理層作出內部報告；或
- 與包含一個或多個嵌藏式衍生金融工具的金融負債相關，且這些嵌藏式衍生金融工具對該等金融負債的現金流產生重大影響。

(2) Financial liabilities designated at fair value through profit or loss

A financial liability can be designated at fair value through profit or loss if it is so designated at inception. Financial liabilities so designated include certain certificates of deposit in issue and certain deposits received from customers that are embedded with derivatives. A financial liability is so designated if it meets one of the following criteria:

- eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as "an accounting mismatch") that would otherwise arise from measuring the financial liabilities or recognising the gains and losses on them on different bases; or
- applies to a group of financial assets, financial liabilities or both that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the key management; or
- relates to financial liabilities containing one or more embedded derivatives that significantly modify the cash flows resulting from those financial liabilities.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.9 金融負債（續） 2.9 Financial liabilities (continued)

(2) 界定為以公平值變化計入損益之金融負債（續）

被界定為以公平值變化計入損益之金融負債以公平值列賬，因公平值變化而產生之收益或虧損確認於收益表內，除了因自身信用風險產生的公平值變化會被計入其他全面收益及往後被終止確認時被重分類至留存盈利，除非該變化會構成或擴大收益表之會計錯配，所有公平值變化而產生之收益或虧損則確認於收益表內。

(2) Financial liabilities designated at fair value through profit or loss (continued)

Financial liabilities designated at fair value through profit or loss are measured at fair value and any gains and losses from changes in fair value are recognised in the income statement, except for fair value changes arising from own credit risks are recognised as other comprehensive income and subsequently reclassified to the retained earnings upon derecognition, unless such would create or enlarge an accounting mismatch in profit or loss, then all gains and losses from changes in fair value are recognised in the income statement.

(3) 存款、已發行債務證券及存款證、後償負債及其他負債

除被分類為交易性負債或界定以公平值變化計入損益之金融負債外，其他存款、已發行債務證券及存款證、後償負債及其他負債均以攤餘成本列賬。扣除交易費用後之淨收款和贖回價值的差額（如有），按照實際利息法於期內在收益表中確認。

(3) Deposits, debt securities and certificates of deposit in issue, subordinated liabilities and other liabilities

Deposits, debt securities and certificates of deposit in issue, together with subordinated liabilities and other liabilities, other than those classified as trading liabilities or designated at fair value through profit or loss are carried at amortised cost. Any difference (if available) between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period using the effective interest method.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.10 財務擔保合同及未提取貸款承諾 2.10 Financial guarantee contracts and undrawn loan commitments

財務擔保合同是指簽發人在指定的債務人未能根據持有人與債務人之間的債務合同條款而履行還款責任時，需向持有人償付由此而產生之損失的指定付款之合同。

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a contract between the holder and the debtor.

財務擔保合同以合同簽發當日的公平值初始確認為金融負債。及後，本集團之責任將按以下兩者之較高者計量：(i)如附註 2.14 所述的預期信用損失減值準備；及(ii)初始確認之金額減按直線法於擔保有效期內確認之累計攤銷（如適用）。財務擔保合同負債的變動則於收益表中確認。

Financial guarantee contracts are initially recognised as financial liabilities at fair value on the date the guarantees were given. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of (i) an ECL provision as set out in Note 2.14 and (ii) the amount initially recognised less, where appropriate, accumulated amortisation recognised over the life of the guarantee on a straight-line basis. Any changes in the liability relating to financial guarantee contracts are taken to the income statement.

未提取貸款承諾是指集團在承諾期間需要以既定的合同條款向客戶發放貸款的承諾。此等合同亦在附註 2.14 所述之預期信用損失減值準備要求之範圍內。

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. These contracts are in the scope of the ECL requirements as set out in Note 2.14.

本集團將財務擔保合同和貸款承諾的預期信用損失減值準備列示於財務報表內的「其他賬項及準備」項下。

The ECL provision for financial guarantees and loan commitments are reported under "Other accounts and provisions" in the financial statements.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.11 金融工具的確認、終止確認和變更 2.11 Recognition, derecognition and modification of financial instruments

以公平值變化計入損益作後續計量的金融資產、以公平值變化計入其他全面收益作後續計量及以攤餘成本作後續計量的證券，其買賣會於交易當日（即本集團購入或售出資產當日）確認。貸款及放款及其他金融資產於付出現金予交易對手時確認。在從該等金融資產取得現金流之權利完結或本集團已轉讓實質上所有風險及回報時，將終止對該等金融資產之確認。當本集團未有轉讓或未有保留已轉讓金融資產之實質上所有風險及回報，但仍保留對其控制時，本集團會按持續參與的部分繼續確認該等已轉讓的金融資產；若本集團已失去對其控制時，則終止確認。以攤餘成本及以公平值變化計入其他全面收益計量的金融工具的合同現金流若重新協訂或變更，應以原實際利率將重訂後的合同現金流進行折現，並與現時減值前的攤餘成本餘額比較。如差異重大，需終止確認原有金融工具，並作重新確認。否則，按照上述折現值調整金融工具的賬面值；相關調整計入損益。

Purchases and sales of financial assets subsequently measured at FVPL, securities measured at FVOCI and amortised costs are recognised on the trade date, the date on which the Group purchases or sells the assets. Loans and advances and other financial assets are recognised when cash is advanced to the counterparties. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. When the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group either continues to recognise the transferred financial asset to the extent of its continuing involvement if control remains or derecognise it if there is no retained control. If the contractual cashflow of financial instruments measured at amortised cost or FVOCI are renegotiated or modified, the modified contractual cashflow should be discounted using the original effective interest rate, and compared with the original amortised cost before impairment. If the difference is material, the original financial instrument should be derecognised and then re-recognised with the present value aforementioned. Otherwise, the difference is adjusted to the original carrying value and accounted for in the profit or loss.

交易性負債、被界定為以公平值變化計入損益之金融負債，及已發行債務證券及存款證於交易當日確認。未被界定為以公平值變化計入損益的存款在收到客戶款項時確認，而其他負債於有關責任產生時確認。只有當合同中的指定責任被履行、取消或到期，該金融負債才可從資產負債表上終止確認。如本集團回購本身的債務，則該債務將從資產負債表上終止，而該債務之賬面值及支付金額的差額被確認於損益，如有來自被界定為以公平值變化計入損益之負債的自身信用風險部分則除外。

Trading liabilities, financial liabilities designated at FVPL and debt securities and certificates of deposit in issue are recognised on the trade date. Deposits that are not designated at FVPL are recognised when money is received from customers, other liabilities are recognised when such obligations arise. Financial liabilities are derecognised from the balance sheet when and only when the obligation specified in the contract is discharged, cancelled or expires. If the Group purchases its own debt, it is removed from the balance sheet, and the difference between the carrying amount of a liability and the consideration paid is included in profit or loss, except the own credit risk component for those designated at FVPL.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.11 金融工具的確認、終止確認和變更（續） 2.11 Recognition, derecognition and modification of financial instruments (continued)

售出予交易對手之證券及票據，如根據回購協議，附有按預定價格並於將來指定時間回購之責任稱為「回購」。而向交易對手購入之證券及票據，如根據回售協議，附有按預定價格於將來指定時間再出售予交易對手之責任則稱為「反向回購」。

Securities and bills sold to a counterparty with an obligation to repurchase at a pre-determined price on a specified future date under a repurchase agreement are referred to as repos. Securities and bills purchased from a counterparty with an obligation to re-sell to the counterparty at a pre-determined price on a specified future date under a resale agreement are referred to as reverse repos.

「回購」或借出證券於初始時按已向交易對手所取得之實際現金額，確認為應付銀行款項或銀行及其他金融機構之存款及結餘（如適用）。用作抵押回購協議之金融資產不會被終止確認，並仍列為投資證券或以公平值變化計入損益之金融資產。以收取合約現金流為目的及合約現金流純屬本金及未償付本金餘額之利息的支付的「反向回購」或借入證券則於初始時按已付予交易對手之實際現金額，於資產負債表內初始確認為庫存現金及應收銀行款項或在銀行及其他金融機構的結餘及存款（如適用）。於反向回購協議下所收到用作抵押之金融資產將不會被確認於資產負債表上。出售價與回購價之差額則以實際利息法於協議年期內分期確認為利息收入或利息支出。

Repos or securities lending are initially recognised as due to banks, placements from banks and other financial institutions, as appropriate, at the actual amount of cash received from the counterparty. Financial assets given as collateral for repurchase agreements are not derecognised and are recorded as investment in securities or financial assets at FVPL. Reverse repos or securities borrowings with a “hold-to-collect” business model and contractual cash flow of solely payments of principal and interest on the principal outstanding are initially recognised in the balance sheet as cash and due from banks or placements with banks and other financial institutions, as appropriate, at the actual amount of cash paid to the counterparty. Financial assets received as collateral under reverse repurchase agreements are not recognised on the balance sheet. The difference between the sale and the repurchase price is recognised as interest income or interest expense over the life of the agreements using the effective interest method.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.12 公平值計量 2.12 Fair value measurement

本集團於每個會計結算日以公平值計量房產及投資物業、貴金屬及部分金融工具。公平值是指在估值日當期集團可接觸的主要交易市場或最有利之市場狀況下，市場參與者進行有序交易出售資產或轉移負債之價格。

The Group measures its premises and investment properties, precious metals and certain financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in its principal market or the most advantageous market accessible by the Group at the measurement date.

計量資產或負債公平值運用的假設為市場參與者在其最佳經濟利益的情況下，所採用的資產或負債計價。

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

本集團採用的價格乃買賣差價內最能代表金融工具公平值的價格，如適合，亦包括應用於本集團以市場風險淨頭盤所管理的金融資產及金融負債，並經風險對銷後的剩餘金融資產或金融負債組合。雖然本集團以淨額基準計量此等金融工具組合的公平值，除非能滿足載於附註2.6的抵銷條件，所有相關的金融資產及金融負債仍會分別列示於本財務報表內。

The Group uses the price within the bid-offer spread that is most representative of the fair value of financial instruments, where appropriate, includes using on the residual of the net offsetting risk position of portfolios of financial assets and financial liabilities in cases the Group manages such groups of financial assets and liabilities according to their net market risk exposures. Despite the Group measures the fair value of these groups of financial instruments on a net basis, the underlying financial assets and financial liabilities are separately presented in the financial statements unless the offsetting criteria stated in Note 2.6 are fulfilled.

非金融資產之公平值計量為考慮市場參與者使用該資產所產生的最高及最佳經濟利益，或出售予另一市場參與者而該參與者可產生的最高及最佳經濟利益。

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.12 公平值計量（續） 2.12 Fair value measurement (continued)

若資產或負債所處之市場並不活躍，本集團會在合適並有足夠數據的情況下，採用估值方法釐定其公平值，包括運用當時之公平市場交易、貼現現金流量分析、期權定價模型及其他市場參與者通用之估值方法，並會盡可能使用市場上可觀察的相關參數，減少使用不可觀察的參數。

If the market for assets or liabilities is not active, the Group uses valuation techniques, including the use of recent arm’s length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants, that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.13 貴金屬 2.13 Precious metals

貴金屬包括黃金、銀及其他貴金屬。貴金屬以其公平值作初始確認和其後重估。貴金屬於進行市場劃價後所產生之收益或虧損，將包括於淨交易性收益／虧損內。

Precious metals comprise gold, silver and other precious metals. Precious metals are initially recognised and subsequently re-measured at fair value. Mark-to-market gains or losses on precious metals are included in net trading gain/loss.

2.14 金融資產減值

本集團就下列項目確認預期信用損失的損失準備：

• 以攤餘成本計量的金融資產；

• 以公平值變化計入其他全面收益計量的債務證券；和

• 非以公平值變化計入損益作計量的已發出的貸款承諾及財務擔保。

以公平值計量的金融資產，包括債券基金單位、以公平值變化計入損益作計量的股份證券、界定為以公平值變化計入其他全面收益的股份證券（非循環）及衍生金融資產，均不需進行預期信用損失評估。

預期信用損失是信用損失的概率加權估計。信用損失按所有預期現金缺口（即根據合約應付本集團的現金流量與本集團預期收到的現金流量之間的差額）的現值計量。

就未提取貸款承諾及財務擔保而言，預期現金缺口按兩者之間的差額計量(i)當貸款承諾持有人／財務擔保受益人提取貸款／索賠財務擔保，其應付本集團之合約現金流及(ii)如貸款被提取／財務擔保被索賠，本集團預期收到的現金流。

如折現的影響重大，預期的現金缺口會以折現值計算。估計預期信用損失時考慮的最長期限是集團面臨信用風險的最長合同期。在金融工具同時包含已提取及未提取貸款承諾的情況下，例如可循環信用額貸款，預期信用損失應於集團需承擔未能按信用風險管理措施而轉移的信用風險之期間內計算。

2.14 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

• financial assets measured at amortised cost;

• debt securities measured at FVOCI; and

• loan commitments and financial guarantees issued, which are not measured at FVPL.

Financial assets measured at fair value, including units in bond funds, equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments and financial guarantees outstanding, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder/beneficiary of the loan commitment/financial guarantee draws down/claims on the loan/financial guarantee and (ii) the cash flows that the Group expects to receive if the loan is drawn down/financial guarantee is claimed.

The expected cash shortfalls are discounted where the effect of discounting is material. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. Where the financial instrument such as revolving credit facilities includes both a drawn and undrawn commitment, ECL is measured over the period that the Group remains exposed to credit risk that is not mitigated by management actions in respect of credit risk.

2.14 金融資產減值（續） 2.14 Impairment of financial assets (continued)

在計量預期信用損失時，集團已採用合理且可支持的信息。此包括已發生之事件、當前狀況和預測未來經濟狀況的信息。

In measuring ECLs, the Group takes into account reasonable and supportable information that is available. This includes information about past events, current conditions and forecasts of future economic conditions.

預期信用損失在以下其中一個基礎上測量：

ECLs are measured on either of the following bases:

- 12 個月的預期信用損失：即預計在報告日期後 12 個月內可能發生的違約事件造成的損失；或
- 存續期間的預期信用損失：即預期信用損失模型適用之資產於預計存續期間內的所有可能發生的違約事件導致的損失。

- 12-month ECLs: these are losses that are expected to result from possible default events within 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

於金融工具作初始確認時，本集團將在未來 12 個月內的預期信用損失計入第一階段；並且，在初始確認後出現信用風險顯著增加的情況時，將存續期間的預期信用損失確認為第二階段。如對該金融資產的估計未來現金流量產生不利影響的一項或多項事件已發生，將對信用減值金融工具的終生預期信用損失確認為第三階段，並按扣除減值準備後的相關第三階段金融資產的淨值計提利息收入。

The Group will account for expected credit losses within the next 12 months as Stage 1 when those financial instruments are initially recognised; and to recognise lifetime expected credit losses as Stage 2 when there has been significant increases in credit risk since initial recognition. Lifetime expected credit losses will be recognised for credit-impaired financial instruments as Stage 3 if one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred and interest will then be accrued net of the impairment amount of the respective Stage 3 financial assets.

2.14 金融資產減值（續） 2.14 Impairment of financial assets (continued)

在評估自初始確認後金融工具的信貸風險是否顯著增加時，本集團將報告日評估的金融工具違約風險與初始確認日評估的風險進行比較。

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition.

在評估自初始確認後信用風險是否顯著增加時，尤其會考慮以下信息：

- 未能在合同到期日後三十日內支付本金或利息；
- 金融工具的外部或內部信用評級（如果有）有實際或預期顯著惡化；
- 債務人經營業績的實際或預期顯著惡化；和
- 技術性、市場、經濟或法律環境的現有或預測變化，此對債務人履行其對集團義務的能力產生重大不利影響的。

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest 30 days after their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

就貸款承諾及財務擔保而言，為評估預期信用損失而初始確認的日期被視為本集團成為不可撤銷承諾的一方的日期。在評估自初步確認貸款承諾及財務擔保以來信貸風險是否顯著增加時，本集團會考慮貸款承諾／財務擔保所涉及的貸款及墊款發生違約風險的變動。

For loan commitments and financial guarantees, the date of initial recognition for the purpose of assessing ECLs is considered to be the date that the Group becomes a party to the irrevocable commitment. In assessing whether there has been a significant increase in credit risk since initial recognition of a loan commitment or a financial guarantee, the Group considers changes in the risk of default occurring on the loan and advances to which the loan commitment/financial guarantee relates.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.14 金融資產減值（續） 2.14 Impairment of financial assets (continued)

根據金融工具的性質，對信用風險顯著增加的評估是在個別基礎上或共同基礎上進行的。當評估在共同基礎上進行時，金融工具根據共享信用風險特徵進行分類，例如逾期狀態和信用風險評級。

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

本集團認為當有關以下事件的可觀察證據出現時，金融資產即發生信用減值：

- 債務人出現重大的財務困難；
- 出現違約事件，例如不履行或逾期償還本金或利息；
- 當債務人出現財務困難，本集團基於經濟或法律因素考慮而特別給予債務人貸款條件上的優惠；
- 有證據顯示債務人將會破產或進行財務重整；或
- 其他明顯訊息反映有關貸款的未來現金流將會出現明顯下降。

The Group considers that a financial instrument is credit-impaired when there is observable data about:

- significant financial difficulty incurred by the debtor;
- a breach of contract, such as a default or delinquency in principal or interest payment;
- for economic or legal reasons related to the debtor’s financial difficulty, the Group has granted to the debtor a concession that it would not otherwise consider;
- probable that the debtor will become bankrupt or undergo other financial reorganisation; or
- other observable data indicating that there is a measurable decrease in the estimated future cash flows from such advances.

本集團會獨立考慮合理及具支持性的定量及定性信息，包括歷史經驗及無需付出不合理成本或努力已能獲取的前瞻性信息。

The Group considers on an individual basis both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.14 金融資產減值（續） 2.14 Impairment of financial assets (continued)

預期信用損失於每個報告日期重新計量，以反映自初始確認以來金融工具信用風險的變化。預期信用損失金額的任何變動均於損益內確認為減值回撥或損失。本集團確認所有相關金融工具的減值損益，並通過損失準備對其賬面金額進行相應調整，但以公平值變化計入其他全面收益計量的債務證券投資其損失準備於公平值儲備作記錄。

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all relevant financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI, for which the loss allowance is recorded in the fair value reserve.

根據附註2.7利息收入以金融資產的賬面總值計算確認，除非該金融資產屬於信貸減值（第三階段），在此情況下，利息收入乃按金融資產的攤餘成本（即賬面總值扣除損失準備）計算。確定信用減值金融資產之基準列載於附註4.1。

Interest income recognised in accordance with Note 2.7 is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired (Stage 3), in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. The determination of credit-impaired financial asset is further explained in Note 4.1.

當金融資產無法收回時，在完成所有必要程序及確定損失金額後，本集團對該等資產進行撇銷，並沖減金融資產的賬面總值及相應的減值損失準備。該等已撇銷資產仍受制於執行活動。撇銷後收回的金額沖減在收益表中的減值損失。

When a financial asset is uncollectible, it is written off against the gross carry amount of the financial asset and the related allowance for impairment losses. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. The assets written off are still subject to enforcement activity. Subsequent recoveries of amounts previously written off decrease the amount of impairment losses in the income statement.

2.15 對附屬公司、聯營公司及合資企業之投資及非金融資產之減值

2.15 Impairment of investments in subsidiaries, associates, joint ventures and non-financial assets

如因發生事件或情況已改變，並顯示資產之賬面值或將無法被收回，則會進行減值重檢。潛在減值跡象包括運用資產之科技、市場、經濟或法律環境已出現明顯變壞或資產價值大幅或長期下跌至低於其成本值。「大幅」是以投資的原成本值作評價，而「長期」是以公平值低於其原成本值之時期作評價。就沒有固定可用期限的無形資產，則會每年進行減值測試。

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Potential indications of impairment may include significant adverse changes in the technological, market, economic or legal environment in which the assets operate or whether there has been a significant or prolonged decline in value below their cost. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Impairment of intangible assets with indefinite useful life are tested for impairment annually.

資產的賬面值超逾其可收回金額的部分會被確認為減值損失。可收回金額是指資產的公平值扣除出售成本後與其使用價值的較高者。為作出減值評估，資產乃按其最小的可分開識別現金流（現金產出單元）層次分類。於每一財務報告日，會對已發生減值的資產進行重檢以確定需否回撥。

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impaired assets are reviewed for possible reversal of the impairment at each reporting date.

在本銀行的資產負債表，如果附屬公司、聯營公司或合資企業宣派的股息超過其在該宣派年度的全面收益總額，或其在本銀行的賬面值超過在其綜合資產負債表內已包括商譽的淨資產值時，則需要做投資減值測試。

In the Bank’s balance sheet, impairment testing of the investment in a subsidiary, associate or joint venture is also required upon receiving dividend from that entity if the dividend exceeds the total comprehensive income of that entity concerned in the period the dividend is declared or if the carrying amount of that entity in the Bank’s balance sheet exceeds the carrying amount of that entity’s net assets including goodwill in its consolidated balance sheet.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.16 投資物業

2.16 Investment properties

持作賺取長期租金收益或資本增值或兩者兼備者，並且非集團旗下各公司所佔用之物業（包括由物業所在的租賃土地產生的使用權資產），均列作投資物業。出租予本集團內公司之物業，於個別公司之財務報表中分類為投資物業，及於綜合財務報表中分類為房產。

Properties (including right-of-use assets arising from leases over leasehold land on which properties are situated), that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the companies in the Group, are classified as investment properties. Properties leased out within group companies are classified as investment properties in individual companies' financial statements and as premises in consolidated financial statements.

投資物業初始以成本值（包括相關交易成本）計量。經初始確認後，投資物業按公平值計量。

Investment properties are recognised initially at cost, including related transaction costs. After initial recognition, investment properties are measured at fair value.

只有在與項目相關的未來經濟利益很有可能流入本集團，並能夠可靠地計量其成本的情況下，本集團才會將其後續支出計入為資產賬面值之一部分。該等後續支出以公平值列賬。至於所有其他修理及維護費用，均需於產生時確認於當期收益表內。

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The work in progress item is stated at fair value. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

任何公平值之變動會直接於收益表內確認。

Any changes in fair value are recognised directly in the income statement.

若投資物業改為自用，會被重新分類為房產，其於重新分類日之公平值會成為其會計賬上的成本值。若房產項目因其用途改變而成為投資物業，則根據香港會計準則第 16 號「物業、器材及設備」將此項目於轉分類日之賬面值與其公平值之間的差額作為房產重估，確認於其他全面收益內。惟若公平值增值抵銷以往之重估損失或減值損失，該增值則於收益表內確認，並以過往已確認的損失金額為限。

If an investment property becomes owner-occupied, it is reclassified as premises, and its fair value at the date of reclassification becomes its cost for accounting purposes. If an item of premises becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of premises under HKAS 16 "Property, Plant and Equipment". However, if a fair value gain reverses a previous revaluation loss or impairment loss classified under premises, the gain is recognised in the income statement up to the amount previously debited.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.17 物業、器材及設備

物業（包括由物業所在的租賃土地產生的使用權資產）主要為分行及辦公樓房產。房產需定期但最少每年以取自外間獨立估價師之公平值扣除任何隨後發生之累計折舊及資產減值損失列示。重估當日之累計折舊額需先沖銷資產之賬面毛值，沖減後之淨額則重新調整至該資產之重估值。相隔期間由董事參考相近物業之公開市值以檢討房產之賬面值，如董事認為該房產價值有重大變動則會作出相應調整。

房產重估後之賬面增值通過其他全面收益撥入房產重估儲備中。與同一個別資產早前之增值作對銷之減值部分，通過其他全面收益於房產重估儲備中扣減；餘下之減值額則確認於收益表內。其後任何增值將撥入收益表（以早前扣減之金額為限），然後撥至房產重估儲備內。出售房產時，房產重估儲備中與先前估值有關之已實現部分，將從房產重估儲備撥轉至留存盈利。

所有器材及設備及除租賃土地外的使用權資產（見附註2.19）均以歷史成本扣除累計折舊及減值損失列賬。歷史成本包括因取得及安裝該項目而直接產生之費用。

2.17 Properties, plant and equipment

Properties (including right-of-use assets arising from leases over leasehold land on which properties are situated) are mainly branches and office premises. Premises are stated at fair value based on periodic, at least annually, valuations by external independent valuers less any subsequent accumulated depreciation and impairment losses. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. In the intervening periods, the directors review the carrying amount of premises, by reference to the open market value of similar properties, and adjustments are made when there has been a material change.

Increases in the carrying amount arising on revaluation of premises are credited to the premises revaluation reserve through other comprehensive income. Decreases that offset previous increases of the same individual asset are charged against premises revaluation reserve through other comprehensive income; all other decreases are expensed in the income statement. Any subsequent increases are credited to the income statement up to the amount previously debited, and then to the premises revaluation reserve. Upon disposal of premises, the relevant portion of the premises revaluation reserve realised in respect of previous valuations is released and transferred from the premises revaluation reserve to retained earnings.

All plant and equipment and right-of-use assets other than leasehold land (see Note 2.19) are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition and installation of the items.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.17 物業、器材及設備（續） 2.17 Properties, plant and equipment (continued)

與資產有關的後續支出，只有當其產生的未來經濟利益很可能流入本集團，並且該支出能夠可靠地計量時，才能將其計入資產的賬面價值或作為單獨的一項資產進行確認（如適當）。該等後續支出以扣除減值後之成本列賬直至其開始產生經濟利益，之後則根據相關資產之後續計量基準進行計量。所有其他修理及維護費用均在發生時計入當期收益表。

Subsequent costs are included in an asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The item is stated at cost less impairment until it begins to generate economic benefits, then the item is subsequently measured according to the measurement basis of its respective assets class. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred or provided for.

折舊以直線法，將資產之成本值或重估值於其如下估計可用年限內攤銷：

Depreciation is calculated on the straight-line method to write down the cost or revalued amount of such assets over their estimated useful lives as follows:

- 物業
  按政府土地租約年期
- 器材及設備
  2至15年
- 使用權資產
  資產可用年期及租約年期之較短者

- Properties
  Over the life of government land leases
- Plant and equipment
  2 to 15 years
- Right-of-use asset
  Shorter of useful lives and lease terms

本集團在每個會計結算日重檢資產的可用年限，並已按適當情況作出調整。

The useful lives of assets are reviewed, and adjusted if appropriate, as at the end of each reporting period.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.17 物業、器材及設備（續） 2.17 Properties, plant and equipment (continued)

在每個會計結算日，源自內部及外界之資料均會被用作評定物業、器材及設備是否出現減值之跡象。如該跡象存在，則估算資產之可收回價值，及在合適情況下將減值損失確認以將資產減至其可收回價值。該等減值損失在收益表內確認，但假若某資產乃按估值列賬，而減值損失又不超過同一資產之重估盈餘，此等損失則當作重估減值。可收回價值指該資產之公平值扣除出售成本後之金額，與其使用價值之較高者。減值損失會按情況於房產重估儲備或收益表內回撥。

At the end of each reporting period, both internal and external sources of information are considered to determine whether there is any indication that properties, plant and equipment are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such an impairment loss is recognised in the income statement except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Impairment loss is reversed through the premises revaluation reserve or the income statement as appropriate.

出售之收益或虧損是按扣除稅項及費用之出售淨額與有關資產賬面值之差額而釐定，並於出售日在收益表內確認。任何有關重估盈餘會由房產重估儲備撥轉至留存盈利，不會重新分類至收益表內。

Gains or losses on disposals are determined as the difference between the net disposal proceeds and the carrying amount, relevant taxes and expenses. These are recognised in the income statement on the date of disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained earnings and is not reclassified to the income statement.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.18 無形資產 2.18 Intangible assets

無形資產是本集團持有及控制之可識別非貨幣性資產，主要為電腦應用軟件。無形資產以購入成本扣除累計攤銷及減值損失計量。

Intangible assets are identifiable non-monetary assets without physical substance owned and controlled by the Group, mainly computer application software. Intangible assets are stated at acquisition cost less accumulated amortisation and impairment.

年期有限定的無形資產之攤銷按直線法於預期資產可用年限內計入損益。下列年期有限定的無形資產均自可供使用日期開始攤銷，其預期可用年限如下：

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

- 資產化之電腦應用軟件：3 至 5 年

- Capitalised computer application software: 3 to 5 years

本集團在每年重檢可用年限及攤銷方法。

Both the period and method of amortisation are reviewed annually.

出售之收益或虧損是按扣除稅項及費用之出售淨額與有關資產賬面值之差額而釐定，並於出售日在收益表內確認。

Gains or losses on disposals are determined as the difference between the net disposal proceeds and the carrying amount, relevant taxes and expenses. These are recognised in the income statement on the date of disposal.

2.19 租賃 2.19 Leases

在簽訂合同時，集團會評估該合同是否或有否包含租賃。如果一份合同在一段期間內，為換取對價而讓渡一項可識別資產使用的控制權，則該合同是一項租賃或包含一項租賃。在承租人同時擁有主導資產的使用的權利及從使用中獲得幾乎全部的經濟利益的情況下，控制權即已渡讓。

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use over the contract period.

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.19 租賃（續） 2.19 Leases (continued)

(1) 作為承租人

在租賃開始日期時，除為期 12 個月或以內的短期租賃和低價值資產的租賃外，集團會確認相應的使用權資產及租賃負債。如集團簽訂了與低價值資產相關的租賃，集團則會按每張合同決定是否將租賃合同資產化。不被資產化之租賃合同的相關租賃付款額會在租賃期內系統地確認為支出。

當租賃合同被資產化後，租賃負債會以租約內租賃付款的未來現金流，（包含合理確認會被行使的續租權所延展的續租期間的付款），以租賃合同中的內含利率，或如該等利率不能被有效確定時，則使用承租人於租賃開始日期的增量借貸利率折現成現值，作為初始確認金額。租賃付款額包括扣除租賃激勵後的固定付款額（包含實質固定的付款額）、取決於指數或利率的可變租賃付款額及餘值擔保下的預計付款額。租賃付款額亦包括集團合理確定會行使的購買選擇權的行使價，以及合理確定會行使的提早終止選項下終止租約所需支付的罰款。

(1) As a lessee

On the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, after taking into account payments to be made in the optional period if the extension option is reasonably certain to be exercised, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.19 租賃（續） 2.19 Leases (continued)

(1) 作為承租人（續） (1) As a lessee (continued)

在初始確認後，租賃負債會以攤餘成本計量，利息支出則會以固定期間利率計算。不取決於指數或利率的可變付款額並不包含於租賃負債的計量，因此會在發生的會計年度內計入收益表。

After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using a constant periodic rate of interest. Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and hence are charged to income statement in the accounting period in which they are incurred.

租賃合同被資產化後而確認的使用權資產，於初始時以成本計量，而成本則由租賃負債的初始金額，加上租賃開始日期當天或之前已付的租賃付款額及初始直接費用組成。在適用範圍下，使用權資產的金額亦包含估算的清拆及移除相關資產、復原使用資產或其所在的地點之費用的現值、並扣除已收取的租賃激勵。除下列種類的使用權資產外，使用權資產後續以成本扣除累計折舊及減值損失計量(見附註 2.17)，並於租賃負債被重新計量時作出調整：

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, then discounted to its present value, and less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2.17), and adjusted when the lease liabilities are remeasured, except for the following types of right-of-use asset:

- 符合投資物業定義的使用權資產會按附註 2.16 以公平值計量；及
- 不符合投資物業定義及與集團已註冊為擁有人的租賃土地及建築物相關的使用權資產會按附註 2.17 以重估值計量。

- right-of-use assets that meet the definition of investment property are carried at fair value in accordance with Note 2.16; and
- right-of-use assets related to leasehold land and buildings that do not meet the definition of investment property and where the Group is the registered owner of the leasehold interest are carried at revalued amount in accordance with Note 2.17.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.19 租賃（續） 2.19 Leases (continued)

(1) 作為承租人（續） (1) As a lessee (continued)

當未來租賃付款額受指數或利率的變化而發生改變，或集團估算在餘值擔保安排下的應付款項將會發生改變，或租期發生改變，或集團對於是否合理確定行使某一購買、續租或終止租約選項作出重新評估時，租賃負債會被重新計量。當在這些情況下重新計量租賃負債後，相應的調整會計入使用權資產的賬面金額，或如使用權資產的賬面價值已減記至零，則將調整計入收益表。

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change of lease terms, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in income statement if the carrying amount of the right-of-use asset has been reduced to zero.

集團將不符合投資物業定義的使用權資產披露於「物業、器材及設備」項下，及將租賃負債列示於「其他賬項及準備」項下。

The Group presents right-of-use assets that do not meet the definition of investment property in "Properties, plant and equipment" and presents lease liabilities in "Other accounts and provisions".

(2) 作為出租人 (2) As a lessor

集團作為出租人時，會在簽訂租賃合同時判斷每份租賃合同應為融資租賃或是經營租賃。如租約已實質上轉讓了幾乎所有因擁有相關資產產生的風險及回報，該租賃應歸類為融資租賃。如非此等情況，則租賃應被分類為經營租賃。

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying asset to the lessee. If this is not the case, the lease is classified as an operating lease.

如合同內含有租賃及非租賃成份，集團會將合同內的對價以各成份各自獨立的銷售價的基礎分配。來自經營租賃的租金收入會在租期內以直線法確認。

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised on a straight-line basis over the lease term.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.20 現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目指按原來到期日，於購入日期起計三個月內到期之結餘，包括現金、銀行及其他金融機構之結餘、短期票據及被分類為投資證券及存款證之票據。

2.20 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise balances with original maturity less than three months from the date of acquisition, including cash, balances with banks and other financial institutions, short-term bills and notes classified as investment securities and certificates of deposit.

2.21 準備

當本集團因為已發生之事件而須承擔法律性或推定性之現有責任，而解除該責任時有可能消耗有經濟利益之資源，需在責任金額能夠可靠地作出估算之情況下，為確認有關責任而撥備。

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.22 僱員福利 2.22 Employee benefits

(1) 退休福利成本 (1) Retirement benefit costs

本集團根據認可職業退休計劃或強積金計劃之定額供款退休計劃作出供款，集團僱員均可參與。在職業退休計劃下，集團與僱員之供款按僱員基本薪金之百分比計算，在強積金計劃下該等供款則按強積金規例計算。退休福利計劃成本代表本集團應向此等計劃支付之供款，會於產生時在收益表支取。僱員於全數享有其應得之集團供款部分前退出此職業退休計劃，因而被沒收之本集團供款，會被本集團用作扣減其目前供款負擔或根據職業退休計劃信託契據條款沖減其開支。

The Group contributes to defined contribution retirement schemes under either recognised ORSO schemes or MPF schemes that are available to the Group's employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries for the ORSO schemes and in accordance with the MPF rules for MPF schemes. The retirement benefit scheme costs are charged to the income statement as incurred and represent contributions payable by the Group to the schemes. Contributions made by the Group that are forfeited by those employees who leave the ORSO scheme prior to the full vesting of their entitlement to the contributions are used by the Group to reduce the existing level of contributions or to meet its expenses under the trust deed of the ORSO schemes.

退休計劃之資產與本集團之資產分開持有，並由獨立管理基金保管。

The assets of the schemes are held in independently-administered funds separate from those of the Group.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.22 僱員福利（續） 2.22 Employee benefits (continued)

(2) 有償缺勤 (2) Leave entitlements

僱員獲享之年度休假及病假在累積時確認，本集團會對僱員服務至會計結算日所累積，但尚未使用之年度休假及預計所需支付之病假作出估算及撥備。

Employee entitlements to annual leave and sick leave are recognised when they accrue to employees. A provision is made for the estimated liability for unused annual leave and the amount of sick leave expected to be paid as a result of services rendered by employees up to the end of the reporting period.

除病假及經特別批准之年度休假外，其他有償缺勤均不允許累積。若僱員於獲享有償缺勤之年度內未能悉數享用該等可用缺勤，剩餘之可用缺勤將被取消。除未到期之休假外，僱員於離職時亦無權收取現金以彌補任何未被使用之可用缺勤。

Compensated absences other than sick leave and special approved annual leave are non-accumulating; they lapse if the current period's entitlement is not used in full. Except for unexpired annual leave, they do not entitle employees to a cash payment for unused entitlement on leaving the Group.

(3) 獎金計劃 (3) Bonus plans

若因僱員提供之服務而令集團產生法律性或推定性之現有責任，而該責任之金額亦能可靠地作出估算，集團需確認該預期之獎金支出並以負債列賬。如獎金計劃之負債金額重大，且預期會於12個月後才被償付，會以貼現處理。

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans that are expected to be settled longer than twelve months will be discounted if the amounts are significant.

2.23 本期及遞延所得稅項

在有關期間的稅務支出包括本期及遞延稅項。除因有關項目乃直接記於其他全面收益而需於其他全面收益內確認其稅項外，稅項於收益表內確認。

基於溢利而需支付之所得稅，是根據本銀行、附屬公司、聯營公司及合資企業在營運及產生應課稅收入之司法管轄地區於會計結算日已執行或實際會執行之適用稅法計算，並於溢利產生當期確認為本期所得稅項支出。

所有因綜合財務報表內資產及負債之稅務基礎與其賬面值之暫時性差異而產生之遞延所得稅項均以資產負債表負債法提撥。遞延所得稅項是按會計結算日已執行或實際會執行之稅率及稅法，及預期於相關之遞延所得稅資產實現時或遞延所得稅負債需清付時所適用之稅率計算。

主要之暫時性差異源於資產減值準備、房產及設備之折舊、以及若干資產之重估，包括以公平值變化計入其他全面收益之證券及房產。除業務合併外，若資產或負債在交易初始確認時，並未有對會計損益或應課稅損益構成影響，則無需確認遞延所得稅項。

所有因應課稅暫時性差異而產生之遞延所得稅負債均會被確認。當未來之應課稅利潤預計可被用作抵扣可抵扣之暫時性差異、結轉之未使用稅務抵免及未使用稅務虧損時，因該等可抵扣之暫時性差異、結轉之未使用稅務抵免及未使用稅務虧損而產生之遞延所得稅資產將被確認。

2.23 Current and deferred income taxes

Tax expenses for the period comprise current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in other comprehensive income. In this case, the tax is also recognised in other comprehensive income.

Income tax payable on profits, based on the applicable tax law enacted or substantially enacted at the end of the reporting period in each jurisdiction where the Bank and its subsidiaries, associates and joint ventures operate and generate taxable income, is recognised as a current income tax expense in the period in which profits arise.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from asset impairment provisions, depreciation of premises and equipment, and revaluation of certain assets including securities at FVOCI and premises. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax liabilities are provided in full on all taxable temporary differences. Deferred income tax assets are recognised on deductible temporary differences, the carry forward of any unused tax credits and unused tax losses to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策（續） 2. Significant accounting policies (continued)

2.23 本期及遞延所得稅項（續） 2.23 Current and deferred income taxes (continued)

遞延所得稅項乃記於收益表內。但因以公平值變化計入其他全面收益之證券的公平值重新計量及對房產之重估記入其他全面收益內，故由此產生的遞延所得稅項也記入其他全面收益內，並於以後隨著相關遞延收益和虧損的確認而一同確認在收益表中。

Deferred income tax is charged or credited in the income statement except for deferred income tax relating to fair value re-measurement of securities at FVOCI and revaluation of premises which are charged or credited to other comprehensive income, in which case the deferred income tax is also credited or charged to other comprehensive income and is subsequently recognised in the income statement together with the realisation of the deferred gain and loss.

投資物業的遞延稅項負債或遞延稅項資產的計算方法是假設該等投資物業是通過出售來回收其重估賬面值及採用相關的稅率計算。

Deferred tax liability or deferred tax asset arising from an investment property is determined based on the presumption that the revaluation amount of such investment property will be recovered through sale with the relevant tax rate applied.

2.24 收回資產 2.24 Repossessed assets

收回資產按其收回日之公平值扣除出售成本後之淨值及有關貸款之攤餘成本之較低者列賬。有關貸款及應收款及有關已提準備於資產負債表中予以註銷。其後，收回資產取其成本及公平值扣除出售成本後之淨值中之較低者計量，並被確認為「待出售非流動資產」，包括於「其他資產」項下。

Repossessed assets are initially recognised at the lower of their fair value less costs to sell and the amortised cost of the related outstanding loans on the date of repossession, and the related loans and advances together with the related impairment allowances are derecognised from the balance sheet. Subsequently, repossessed assets are measured at the lower of their cost and fair values less costs to sell and are reported as “non-current assets held for sale” included in “Other assets”.

2.25 信託業務 2.25 Fiduciary activities

本集團一般以信託人或其他授託人身分，代表個人、信託及其他機構持有或管理資產。由於該等資產並不屬於本集團，該等資產及據此而產生之任何收益或虧損，將不計入本財務報表內。

The Group commonly acts as a trustee, or in other fiduciary capacities, that result in its holding or managing assets on behalf of individuals, trusts and other institutions. These assets and any gains or losses arising thereon are excluded from these financial statements, as they are not assets of the Group.

2.26 或然負債及或然資產

或然負債是指由過去已發生的事件引起的可能需要履行的責任，其存在將由一宗或多宗本集團所不能完全控制的未來不確定事件出現與否來確認。或然負債也可能是由於過去已發生事件而引致的現有責任，但由於估計不會導致經濟利益的流出或因不能可靠地計量責任金額，故未有被確認。

或然負債不會被確認為準備，但會在財務報表附註中加以披露。如情況發生變化，使經濟利益的流出變得很有可能時，則會將其確認為準備。

或然資產是指由過去已發生的事件引起的可能產生之資產，其存在將由一宗或多宗本集團所不能完全控制的未來不確定事件出現與否來確認。

或然資產不會被確認，但如有可能收到經濟利益時，會在財務報表附註中披露。若將會收到之經濟利益可被實質確定時，將確認為資產。

2.26 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised as a provision but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When the inflow is virtually certain, it will be recognised as an asset.

2.27 有關連人士

就此等財務報表而言，若一方人士(i)能控制、共同控制本集團、或對本集團有重大影響力；(ii)與本集團同屬一財務報告集團的成員，例如：母公司、附屬公司、同系附屬公司；(iii)為本集團或母公司集團中的聯營公司或合資企業；(iv)為本集團或母公司的主要高層人員；(v)與本集團受到共同控制；(vi)被識別為受第(iv)類人士所控制的企業；及(vii)向本集團或本集團之母公司提供主要管理人員服務，則該等人士被視為有關連人士。有關連人士可為個人或企業。

2.27 Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if that party (i) controls, jointly controls or has significant influence over the Group; (ii) is a member of the same financial reporting group, such as parents, subsidiaries and fellow subsidiaries; (iii) is an associate or a joint venture of the Group or parent reporting group; (iv) is a key management personnel of the Group or parents; (v) is subject to common control with the Group; (vi) is an entity in which a person identified in (iv) controls; and (vii) provides key management personnel services to the Group or its parent. Related parties may be individuals or entities.

財務報表附註（續） Notes to the Financial Statements (continued)

3. 應用會計政策時之重大會計估計及判斷

本集團作出的會計估計和假設通常會影響下一會計結算日的資產和負債的賬面價值。該等估計及判斷是根據過往歷史經驗及於有關情況下被認為合理之其他因素，包括對未來事件的預期而作出，並會持續接受評估。對因必要的估計及判斷轉變，而會影響其賬面值的資產及負債項目範圍，將列示如下。如可釐定，重要假設或其他估量所存在之不明朗因素及其轉變所帶來之影響將於以下列出。而未來有可能根據實際情況的變化對這些會計估計做出重大調整。

3.1 金融資產之減值準備

本集團至少每季對信貸組合的減值損失情況進行一次評估。按香港財務報告準則第9號要求，量度不同類別金融資產的減值損失皆涉及判斷，特別是在估計未來現金流的金額及時間和抵押品價值，以及評估信貸風險顯著上升之情況。這些估計受多項因素影響，此等因素的改變會導致不同水平的準備金。

本集團的預期信用損失是採用複雜模型計算，選取的變數及其相互依存關係存在一系列的假設。在考慮可行性和可用性的情況後，本集團會利用在巴塞爾資本協定二下的內部評級(IRB)模型及其他內部實施的模型的參數建立預期信用損失模型。預期信用損失模型考慮之會計判斷及估計包括以下元素：

3. Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the carrying amounts of assets and liabilities within the next reporting period. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Areas susceptible to changes in essential estimates and judgements, which affect the carrying amount of assets and liabilities, are set out below. The effects of changes to either the key assumptions or other estimation uncertainties are presented below if it is practicable to determine. It is possible that actual results may require material adjustments to the estimates referred to below.

3.1 Impairment of financial assets

The Group reviews its credit portfolios to assess impairment at least on a quarterly basis. Under HKFRS 9, the measurement of impairment losses across all categories of financial asset requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes of which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models. The choice of variable inputs and their interdependencies involves a series of assumptions. ECL models are developed by leveraging on the parameters implemented under Basel II Internal Ratings-Based ("IRB") models and internal models, where feasible and available. Elements of the ECL models that are considered accounting judgements and estimates include:

財務報表附註（續） Notes to the Financial Statements (continued)

3. 應用會計政策時之重大會計估計及判斷（續）

3.1 金融資產之減值準備（續）

- 本集團內部信貸評級模型，以定出個別評級對應之違約概率，請參閱本集團2020年之監管披露的CRE第7項對本集團內部模型的描述；
- 在評估信貸是否已出現顯著惡化導致相關之金融資產需按整個存續期計提預期信用損失準備金時，所採用的集團標準（包括內部評級下降、逾期天數、市場劃價下跌及定性評估）；
- 當採用組合模式評估金融資產之預期信用損失時，根據信貸風險特徵（組合包括主權、銀行、企業、零售中小企、住宅按揭貸款及信用卡）對金融資產所進行之組合劃分；
- 預期信用損失模型的構建，包括對宏觀經濟情境的預測（包括本地生產總值增長、消費者物價指數、物業價格指數和失業率），以及其對違約概率、違約損失率及違約風險承擔的影響；以及
- 對前瞻性宏觀經濟情境（包括良好、基礎及低迷三個獨立情景）的選擇及其加權概率。

本集團政策規定需定期按實際損失經驗重檢有關模型，在需要時進行模型調整。

截至 2020 年 12 月 31 日的貸款、應收款及證券投資之賬面值已列示於附註 23 及 24。

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.1 Impairment of financial assets (continued)

- The Group's internal credit rating models, which assign Probability of Defaults to the individual ratings. Please refer to CRE of section 7 of the Group's Regulatory Disclosures for 2020 for a description of the Group's internal models;
- The Group's significant credit deterioration criteria (including internal credit rating downgrade, days past due, drop in Mark-to-Market and qualitative assessment) for assessing whether the financial assets' impairment allowances should be measured on a lifetime ECL basis;
- The segmentation of financial assets according to credit risk characteristics (portfolios including Sovereign, Bank, Corporates, Retail Small Medium-sized Enterprise, Residential Mortgage Loan and Credit Card) when their ECLs are assessed on a collective basis;
- Development of ECL models, including the determination of macroeconomic factor forecasts (including Gross Domestic Product growth, Consumer Price Index, Property Price Index and Unemployment Rate) and the effect on Probability of Defaults, Loss Given Defaults and Exposure at Defaults; and
- Selection of forward-looking macroeconomic scenarios (including three independent scenarios i.e. good, baseline and bad) and their probability weightings.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Carrying amounts of loans and advances and investment in securities as at 31 December 2020 are shown in Notes 23 and 24 respectively.

3. 應用會計政策時之重大會計估計及判斷（續）

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.2 衍生金融工具及其他金融工具的公平值

3.2 Fair values of derivative financial instruments and other financial instruments

沒有活躍市場報價之衍生金融工具及其他金融工具，其公平值會根據估值方法釐定。所採用之估值方法包括使用近期公平市場交易價格，貼現現金流量分析，以及從外間購入，並被業內廣泛採用之財務分析或風險管理系統之內置模型，如期權定價模型，及其他普遍使用的市場定價模型。在實際操作可行的情況下，定價模型會採用可觀察數據。若估值模型未有考慮某些因素，如信貸風險，估值調整將有可能被採用。選用適合的估值參數、假設和模型技術需要管理層的判斷和估計。

The fair values of derivative financial instruments and other financial instruments that are not quoted in active markets are determined by using valuation techniques. Valuation techniques used include the use of recent arm's length transactions, discounted cash flows analysis and models with built-in functions available in externally acquired financial analysis or risk management systems widely used by the industry such as option pricing models, and other commonly used market pricing models. To the extent practical, the models use observable data. In addition, valuation adjustments may be adopted if factors such as credit risk are not considered in the valuation models. Management judgement and estimates are required for the selection of appropriate valuation parameters, assumptions and modelling techniques.

本集團通過常規的覆核和審批程序對估值技術所採用的假設和估計進行評估，包括檢查模型的假設條件和定價因素，模型假設條件的變化，市場參數性質，市場是否活躍，未被模型涵蓋的公允價值調整因素，以及各期間估值技術運用的一致性。估值技術經過有效性測試並被定期檢驗，且在適當情況下進行更新以反映財務報告日的市場情況。具體詳情可參閱附註5。

The Group assesses assumptions and estimates used in valuation techniques including review of valuation model assumptions and characteristics, changes to model assumptions, the quality of market data, whether markets are active or inactive, other fair value adjustments not specifically captured by models and consistency of application of techniques between reporting periods as part of its normal review and approval processes. Valuation techniques are validated and periodically reviewed and, where appropriate, have been updated to reflect market conditions at the financial reporting date. Further details will be discussed in Note 5.

3. 應用會計政策時之重大會計估計及判斷（續）

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.3 遞延稅項資產

按未使用的稅務虧損及稅務抵免而確認之遞延稅項資產，在釐定其金額時需要管理層作出重大判斷。按未使用的稅務虧損而確認之遞延稅項資產乃以預計可被運用作抵扣該等虧損之應課稅溢利金額為限，釐定遞延稅項資產的確認金額時，需判斷基於未來最有可能產生應課稅溢利的時間及其金額。就稅務抵免之遞延稅項資產而言，需根據對可運用的稅務抵免之估算及收回此等已確認之遞延稅項資產的可能性而作出判斷。

3.3 Deferred tax assets

Deferred tax assets on unused tax losses and unused tax credits are recognised and the determination of the amount to be recognised requires significant management judgement. Deferred tax asset on unused tax losses are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. For deferred tax assets on unused tax credits, judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the estimation of available tax credits and the possibility to recover such deferred tax assets recognised.

3.4 確定租賃的租賃期

本集團確定的租賃期為租賃之不可撤銷的期限，以及合理確定會行使的續租權或合理確定不會行使的終止權所涵蓋的任何期限。

本集團在部分租約下可選擇續租資產的額外時期為3至9年。於租賃開始日，本集團會作出判斷以評估能否合理確定集團將行使續租權。在此評估過程中，集團會考慮所有構成行使續租權之經濟誘因的相關因素。在租約生效日期之後，如有在本集團的控制範圍內發生重大事件或情況發生變化並影響集團行使（或不行使）續租之選擇權(例如:業務策略變更)，則本集團會重新評估租賃期。

截至2020年12月31日的使用權資產賬面值已列示於附註27。

3.4 Determination of lease terms of leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to renew the leases for additional terms of three to nine years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option on the lease commencement date. During the evaluation, the Group considers all relevant factors that create an economic incentive for it to exercise the renewal option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy).

Carrying amounts of right-of-use assets as at 31 December 2020 are shown in Note 27.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理

本集團因從事各類業務而涉及金融風險。主要金融風險包括信貸風險、市場風險（包括外匯風險及利率風險）及流動資金風險。本附註概述本集團的這些風險承擔，以及其目標、風險管理的管治架構、政策與程序及量度這些風險的方法。

金融風險管理架構

本集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。本集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。本集團亦定期重檢及更新風險管理政策及程序，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是本集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在其屬下委員會的協助下，負責確定本集團的風險管理策略、風險偏好和風險文化，並確保本集團具備有效的風險管理系統以落實執行有關策略。

風險委員會是董事會成立的常設委員會，負責監察本集團的各類風險；審批第一層風險管理政策，並監督其執行；審批重大的或高風險的風險承擔或交易。審計委員會協助董事會履行內部監控系統的監控職責。

4. Financial risk management

The Group is exposed to financial risks as a result of engaging in a variety of business activities. The principal financial risks are credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. This note summarises the Group's exposures to these risks, as well as its objectives, risk management governance structure, policies and processes for managing and the methods used to measure these risks.

Financial risk management framework

The Group's risk management governance structure is designed to cover all business processes and to ensure various risks are properly managed and controlled in the course of conducting business. The Group has a robust risk management organisational structure with a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and updated to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision-making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of its committees, has the primary responsibility for the formulation of risk management strategies, risk appetite and risk culture and ensuring that the Group has an effective risk management system to implement these strategies.

The Risk Committee ("RMC"), a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, approving Level I risk management policies and monitoring their implementation, and approving significant or high risk exposures or transactions. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

金融風險管理架構（續）

總裁負責管理本集團各類風險，在董事會授權範圍內審批重大風險承擔或交易。副總裁負責協助總裁履行日常管理各類風險的職責，在總裁授權範圍內審批重大風險承擔或交易。分管法律合規、操作風險和防洗錢副總裁和風險總監一起協助總裁履行日常管理各類風險以及內控的職責；負責提出新的風險管理策略、項目和措施以配合監管要求的變化，從而更好地監察及管理新業務、產品及營運環境轉變而引致的風險；並在授權範圍內負責審核重大風險承擔或交易。各高層管理人員在董事會批准的風險管理政策分層原則下，亦需負責審批其主管業務範圍的風險管理辦法。

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

本集團的主要附屬銀行亦採用與本集團一致的風險管理政策。中銀香港風險管理單位按照各自分工，監督附屬公司的相關風險管理情況。

本集團建立了合適的內部控制程序，包括設立權責分立清晰的組織架構，以監察業務運作是否符合既定政策、程序及限額。適當的匯報機制也充分地使監控職能獨立於業務範疇，同時促成機構內適當的職責分工，有助營造適當的內部控制環境。

Financial risk management framework (continued)

The Chief Executive (“CE”) is responsible for managing the Group’s various types of risks, and approving material risk exposures or transactions within his authority delegated by the Board of Directors. The Deputy Chief Executives (“DCEs”) assist the CE in fulfilling his responsibilities on the day-to-day management of various types of risk, and are responsible for approving material risk exposures or transactions within their authorities delegated by the CE. The Deputy Chief Executive in charge of legal, compliance, operational risk and anti-money laundering together with the Chief Risk Officer (“CRO”) assist the CE in fulfilling his responsibilities on day-to-day management of various types of risks and internal control; responsible for initiating new risk management strategies, projects and measures in response to regulatory changes that will enable the Group to better monitor and manage any risks that may arise from time to time from new businesses, products and changes in the operating environment and responsible for reviewing material risk exposures or transactions within the delegated authority. In accordance with the principle of setting the hierarchy of risk management policies approved by the Board, senior management is also responsible for approving the detailed risk management policies of their areas.

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibility for drafting, reviewing and updating various risk management policies and procedures.

The Group’s principal banking subsidiaries are subjected to risk management policies that are consistent with those of the Group. Risk management units of BOCHK monitor the risk management status of these subsidiaries.

The Group has put in place appropriate internal control systems, including the establishment of an organisation structure that sets clear lines of authority and responsibility for monitoring compliance with policies, procedures and limits. Proper reporting lines also provide sufficient independence of the control functions from the business areas, as well as adequate segregation of duties throughout the organisation which helps to promote an appropriate internal control environment.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

產品開發及風險監控

為了提高風險評估及監控工作的有效性，本集團建立了一套完善的產品開發及風險監控管理制度。在產品開發過程中，本集團各單位具有清晰的職責及分工，並制定了適當的風險盡職審查程序。

根據董事會及管理層提出的發展目標，產品管理單位負責提出相應的業務發展和產品開發計劃，進行具體的產品開發工作。策略發展部門負責確保業務發展和產品開發計劃符合集團整體策略；風險管理、法律、合規及財務等方面的專責部門負責對風險評估結果進行審核。

除負責本單位新產品開發項目的管理工作外，產品管理單位將與風險評估部門共同負責識別和評估項目所涉及的各項風險。風險評估部門需要對項目的風險評估結果和風險管理措施進行獨立審查，只有在風險評估部門滿意盡職審查結果，有關產品才可推出市場。

對於提供予客戶的財資產品則採納更審慎的方法，所有新的財資產品在推出前，都必須經由專責委員會審批同意通過。

Product development and risk monitoring

To ensure the effectiveness of risk assessment and monitoring, the Group has a comprehensive product development and risk monitoring system where roles and responsibilities of all related units are clearly defined and proper due diligence processes on product development are in place.

In accordance with the strategic objectives set by the Board and the Management, respective product management units are responsible for formulating business and product development plans, and proceeding to specific product development activities. The department of strategic development shall ensure the plans are aligned with the Group's overall strategies. Departments that are responsible for risk management, legal, compliance and finance, etc. are accountable for review of the risk assessment results.

Apart from product development, respective product management units shall work closely with relevant risk evaluating departments to identify and assess the risks of new products. Risk evaluating departments shall conduct independent review on the risk assessment results and the corresponding risk management measures. Products can only be launched upon completion of the product due diligence process to the satisfaction of all risk evaluating departments.

A prudent approach is adopted in offering treasury products to our clients. All new treasury products require approval from a special committee before launching.

4.1 信貸風險 4.1 Credit risk

信貸風險指因客戶或交易對手未能或不願意履行償債責任而造成損失的風險。本集團的交易賬和銀行賬、以及資產負債表內和表外之交易均存在這種風險。信貸風險主要來自借貸、貿易融資及資金業務。

Credit risk is the risk of loss that a customer or counterparty is unable to or unwilling to meet its contractual obligations. Credit risk exists in the trading book and banking book, as well as from on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

信貸風險管理架構 Credit risk management framework

本集團制定了一套全面的信貸風險管理政策與程序和恰當的信貸風險限額，用以管理及控制信貸風險。本集團定期重檢及更新該等政策與程序及信貸風險限額，以配合市場及業務策略的轉變。

The Group has formulated a comprehensive set of credit risk management policies and procedures, and appropriate credit risk limits to manage and control credit risk that may arise. These policies, procedures and credit risk limits are regularly reviewed and updated to cope with changes in market conditions and business strategies.

本集團的組織架構制定了明確的授權及職責，以監控遵守政策、程序及限額的情況。

The Group's organisation structure establishes a clear set of authority and responsibility for monitoring compliance with policies, procedures and limits.

信貸風險總監負責主持各類信貸風險管理工作，直接向風險總監匯報，並在與本集團制定的信貸風險管理原則及要求相一致前提下管控附屬機構的信貸風險承擔。本集團的不同單位都有其相應的信貸風險管理責任。業務單位是風險管理的第一道防線，而風險管理部則獨立於業務單位，負責信貸風險的日常管理，對信貸風險的識別、量度、監督和控制做獨立的盡職調查，確保有效的制約與平衡，以及草擬、檢查和更新信貸風險管理政策與程序。風險管理部同時負責設計、開發及維護本集團的內部評級體系，並確保符合相關的監管要求。後線支援單位負責授信執行、對落實發放貸款前條件提供操作支援及監督。

The Chief Credit Officer, who reports directly to the CRO, takes charge of credit risk management and is also responsible for the control of credit risk exposures of subsidiaries in line with the credit risk management principles and requirements set by the Group. Various units of the Group have their respective credit risk management responsibilities. Business units act as the first line of defence in risk management. The Risk Management Department ("RMD"), which is independent from the business units, is responsible for the day-to-day management of credit risks and provides an independent due diligence through identifying, measuring, monitoring and controlling credit risk to ensure an effective checks and balances, as well as drafting, reviewing and updating credit risk management policies and procedures. It is also responsible for the design, development and maintenance of the Group's internal rating system and ensures the system complies with the relevant regulatory requirements. Back offices are responsible for credit administration, providing operations support and supervision on the implementation of prerequisite terms and conditions of credit facilities.

根據本集團的營運總則，本集團的主要附屬機構制定與本集團核心原則一致的信貸風險管理政策。這些附屬機構須定期向本集團管理層提交風險管理報告。

In accordance with the Group's operating principle, the Group's principal subsidiaries have to formulate their own credit risk policies that are consistent with those of the Group's core principle. These subsidiaries are required to submit their risk management reports to the Group's Management on a regular basis.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

信貸風險管理架構（續）

總裁在董事會授予之信貸審批權限內按管理需要轉授權予相關下級人員。本集團按照信貸業務性質、評級、交易風險的程度、信貸風險承擔大小，設置信貸業務的審批權限。

Credit risk management framework (continued)

The Board of Directors delegates credit approval authority to the CE. The CE can further delegate to the subordinates within his limit authorised by the Board of Directors. The Group sets the limits of credit approval authority according to the credit business nature, rating, the level of transaction risk, and the extent of the credit exposure.

信貸風險評估及監控

因應迅速變化的市場情況，本集團已持續重檢信貸策略，並對關注的組合開展嚴格的信貸重檢。

Credit risk measurement and control

In view of the rapidly changing market conditions, the Group has been continuously revisiting its credit strategies and conducting rigorous reviews on the concerned portfolios.

<u>貸款</u>

不同客戶、交易對手或交易會根據其風險程度採用不同的信貸審批及監控程序。信貸評審委員會由信貸和其他業務專家組成，負責對副總裁級或以上人員審批的重大信貸申請進行獨立評審。非零售風險承擔信貸申請由風險管理單位進行獨立審核、客觀評估，並確定債務人評級（按照違約概率程度）和授信等級（按照違約損失率程度）以支持信貸審批；零售信貸交易包括零售風險承擔下的小企業貸款、住宅按揭貸款、私人貸款及信用卡等利用零售內部評級系統進行信貸風險評估。本集團會應用貸款分類級別、債務人評級、授信等級和損失預測結果（如適用）於支持信貸審批。

<u>Advances</u>

Different credit approval and control procedures are adopted according to the level of risk associated with the customer, counterparty or transaction. The Credit Risk Assessment Committee, comprising experts from credit and other functions, is responsible for making an independent assessment of material credit applications which require the approval of DCEs or above. Credit applications for non-retail exposures are independently reviewed and objectively assessed by risk management units. Obligor ratings (in terms of probability of default) and facility ratings (in terms of loss given default) are assigned to these portfolios to support credit approval. Retail internal rating systems are deployed in the risk assessment of retail credit transactions, including small business loans under retail exposures, residential mortgage loans, personal loans and credit cards, etc. Loan grades, obligor and facility ratings as well as loss estimates (if applicable) are used to support credit approval.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

信貸風險評估及監控（續） Credit risk measurement and control (continued)

貸款（續） Advances (continued)

本集團亦會應用貸款分類級別、債務人評級和損失預測結果（如適用）於支持信貸監控、信貸風險報告及分析。對於非零售風險承擔，本集團會對較高風險的客戶採取更頻密的評級重檢及更密切的監控；對於零售風險承擔則會在組合層面應用每月更新的內部評級及損失預測結果進行監察，對識別為高風險組別客戶，會進行更全面檢討。

The Group also uses loan grades, obligor ratings and loss estimates (if applicable) to support credit monitoring, reporting and analysis of credit risk information. For non-retail exposures, more frequent rating review and closer monitoring are required for higher-risk customers. For retail exposures, monthly updated internal ratings and loss estimates are used for credit monitoring on a portfolio basis. More comprehensive review is required for obligors being identified under high-risk pools.

本集團使用的內部評級總尺度表能與標準普爾(Standard & Poor's)外部信用評級相對應。該內部評級總尺度表結構符合香港《銀行業條例》項下《銀行業（資本）規則》的要求。

The Group employs an internal master rating scale that can be mapped to Standard & Poor's external credit ratings. The structure of internal master rating scale is in compliance with the requirement of the Banking (Capital) Rules under the Hong Kong Banking Ordinance.

風險管理部定期提供信貸風險管理報告，並按管理委員會、風險委員會及董事會的特別要求，提供專題報告，以供其持續監控信貸風險。

RMD provides regular credit management information reports and ad hoc reports to the MC, RMC and Board of Directors to facilitate their continuous monitoring of credit risk.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

信貸風險評估及監控（續） **Credit risk measurement and control (continued)**

貸款（續） Advances (continued)

本集團也會按照行業、地區、客戶或交易對手等維度識別信貸風險集中度，並監察每一交易對手信貸風險、信貸資產組合質素、信貸風險集中度的變化，定期向本集團管理層匯報。

In addition, the Group identifies credit concentration risk by industry, geography, customer or counterparty. The Group monitors changes to every counterparties credit risk, quality of the credit portfolio and credit risk concentrations, and reports regularly to the Group's Management.

本集團參照金管局貸款分類制度的指引，實施信貸資產的五級分類如下：

The Group adopts loan grading criteria which divide credit assets into five categories with reference to the HKMA's guidelines, as below:

「合格」是指借款人目前有履行還款責任的貸款，同時全數償還利息及本金的機會也不成疑問。

"Pass" represents loans where the borrower is current in meeting its repayment obligations and full repayment of interest and principal is not in doubt.

「需要關注」是指借款人正面對困難，可能會影響本集團收回貸款的本金及利息。現時並未預期出現最終損失，但如不利情況持續，有可能出現最終損失。

"Special Mention" represents loans where the borrower is experiencing difficulties which may threaten the Group's recoverability of the loan principal and interest. Ultimate loss is not expected at this stage but could occur if adverse conditions persist.

「次級」是指借款人正出現明顯問題，以致可能影響還款的貸款。

"Substandard" represents loans where the borrower displays a definable weakness that is likely to jeopardise repayment.

「呆滯」是指不大可能全數收回，而本集團在扣除抵押品的可變現淨值後預計會承受本金和／或利息虧損的貸款。

"Doubtful" represents loans where collection in full is improbable and the Group expects to sustain a loss of principal and/or interest, taking into account the net realisable value of the collateral.

「虧損」是指用盡所有追討欠款方法後（如變賣抵押品、提出法律訴訟等）仍被視為無法收回的貸款。

"Loss" represents loans which are considered uncollectible after all collection options (such as the realisation of collateral or the institution of legal proceedings) have been exhausted.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

信貸風險評估及監控（續） **Credit risk measurement and control (continued)**

<u>債務證券及衍生產品</u>

對於債務證券及證券化資產的投資，本集團會應用債務人評級或外部信用評級、通過評估證券相關資產的質素及設定客戶及證券發行人信貸限額，以管理債務證券及證券化資產投資的信貸風險；對於衍生產品，本集團會採用客戶限額及採用與貸款一致的審批及監控程序管理信貸風險，並制定持續監控及止損程序。

結算風險主要來自交易對手相關外匯交易，以及來自任何以現金、證券或股票支付但未能如期相應收回該交易對手的現金、證券或股票的衍生產品交易。本集團對各交易對手或客戶制定每日結算限額，以涵蓋任何單一日子本集團的交易而產生的所有結算風險。

<u>Debt securities and derivatives</u>

For investments in debt securities and securitisation assets, the obligor ratings or external credit ratings, assessment of the underlying assets and credit limits setting on customer/security issuer basis are used for managing credit risk associated with the investment. For derivatives, the Group sets customer limits to manage the credit risk involved and follows the same approval and control processes as applied for advances. On-going monitoring and stop-loss procedures are established.

Settlement risk arises mainly from foreign exchange transactions with counterparties and also from derivative transactions in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty or customer to cover all settlement risks arising from the Group's market transactions on any single day.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

預期信用損失(ECL)方法論

Expected Credit Loss (“ECL”) Methodology

對於減值評估，根據香港財務報告準則第 9 號引入減值模型，其要求在確認金融工具的預期信用損失(ECL)時需按攤餘成本計量及以公平值變化計入其他全面收益。在香港財務報告準則第 9 號下，預期信用損失分類為三個階段進行評估，而金融資產、貸款承諾及財務擔保需在三個階段中歸類為其中一個階段。

For impairment assessment, an impairment model is introduced in compliance with HKFRS 9, it requires the recognition of ECL for financial instrument held at amortised cost and fair value through other comprehensive income. Under HKFRS 9, ECL is assessed in three stages and the financial assets, loan commitments and financial guarantees are classified in one of the three stages.

第一階段：如果金融工具在初始日起不屬信貸減值資產，以及在初始確認後信貸風險沒有出現顯著增加的情況，減值準備為 12 個月內的預期信用損失；

Stage 1: if the financial instruments are not credit-impaired during origination and their credit risk has not increased significantly since origination, and the impairment allowance is measured at an amount up to 12-month ECL;

第二階段：如果金融工具在初始日起不屬信貸減值資產，但在初始確認後信貸風險出現顯著增加的情況，減值準備為整個存續期的預期信用損失；

Stage 2: if the financial instruments are not credit-impaired during origination but their credit risk has increased significantly since origination, and the impairment allowance is measured at an amount equal to the lifetime ECL;

第三階段：如果金融工具為信貸減值資產，且未來現金流量已受到一項或多項事件的不良影響，減值準備為整個存續期的預期信用損失。

Stage 3: if the financial instruments are credit-impaired and their future cash flows of that financial instruments are adversely affected by one or more events, and the impairment allowance is also measured at an amount equal to the lifetime ECL.

本集團已建立重大信貸風險惡化條件框架來判斷各金融工具的所屬階段，此框架包括定量及定性的評估，考慮因素例如逾期天數、內部評級變化、低信貸風險門檻及監察名單等。

The Group has established the significant credit deterioration criteria framework to determine the stage of the financial instrument. The framework incorporates both quantitative and qualitative assessment, taking into account of factors such as number of days past due, change in IRB rating, low credit risk threshold and the watchlist.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

預期信用損失(ECL)方法論（續）

Expected Credit Loss (“ECL”) Methodology (continued)

本集團利用巴塞爾資本協定二的內部評級(IRB)模型及其他可行和可用內部模型的參數來評估預期信用損失。對於沒有模型的組合，本集團則使用所有合理及有理據支持的資料，例如歷史資料、相關損失經驗或替代方法。而預期信用損失的計量是金融工具違約概率(PD)、違約損失率(LGD)和違約風險承擔(EAD)於報告日以實際利率折現後的計算結果。

The Group leverages the parameters implemented under Basel II Internal Ratings-Based (“IRB”) models and internal models where feasible and available to assess ECL. For the portfolios without models, all other reasonable and supportable information such as historical information, relevant loss experience or proxies are utilised. The measurement of ECL is the product of the financial instrument’s probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”) discounted at the effective interest rate to the reporting date.

預期信用損失是透過無偏頗及概率加權計算的金額，而此金額是通過評估一系列可能的結果、金額的時間價值，以及過去事件、當前狀況和未來經濟狀況預測的合理及有理據支持的資料來評估。本集團在預期信用損失計量中採用三個經濟情景以滿足香港財務報告準則第 9 號的要求。「基礎」情景代表最可能的結果，而另外兩個情景，分別為「良好」情景和「低迷」情景，則代表較低可能的結果，與基礎情景相比，此兩個情景的結果較為樂觀或悲觀。

ECL is measured at an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The Group adopts three economic scenarios in the ECL measurement to meet the requirements of HKFRS 9. The “Baseline” scenario represents a most likely outcome and the other two scenarios, referred to as “Good” scenario and “Bad” scenario, represent less likely outcomes which are more optimistic or more pessimistic compared to Baseline scenario.

基礎情景由本集團發展規劃部提供。為確保情景合理和有理據支持，本集團亦使用歷史數據、經濟趨勢、官方和非官方組織的外部經濟預測等資料作為參考。至於良好情景和低迷情景，本集團參考歷史宏觀經濟數據設定。

The Baseline scenario is prepared by our Economics & Strategic Planning Department. Historical data, economic trend, external forecast from governmental and non-governmental organisation, etc. are also used as benchmarks to ensure the scenario is reasonable and supportable. For the Good and Bad scenarios, the Group makes reference to the historical macroeconomics data.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

預期信用損失(ECL)方法論（續）

Expected Credit Loss ("ECL") Methodology (continued)

本集團在設定經濟情景時，採用主要經營國家／地區的宏觀經濟因素，如本地生產總值增長、消費者物價指數、物業價格指數和失業率。這些宏觀經濟因素在預期信用損失統計分析和業務意見上，均具有相當重要意義。

The macroeconomic factors in the major countries/regions the Group operates such as Gross Domestic Product growth, Consumer Price Index, Property Price Index and Unemployment Rate are applied in the economic scenarios. These macroeconomic factors are considered to be important to the Group's ECL in statistical analysis and business opinion.

本集團對經濟環境的觀點反映於每個情景所分配的概率，而本集團採用審慎及貫切的信貸策略，以確保減值準備的充足性。基礎情景獲分配較高的概率以反映最可能的結果，而良好和低迷情景獲分配較低的概率以反映較低可能的結果。於2020年12月，本集團基礎情景的概率高於良好及低迷情景之總和。

The probability assigned for each scenario reflects the Group's view for the economic environment, which implements the Group's prudent and consistent credit strategy of ensuring the adequacy of impairment allowance. A higher probability is assigned to the Baseline scenario to reflect the most likely outcome and a lower probability is assigned to the Good and Bad scenarios to reflect the less likely outcomes. As of December of 2020, the probability weight of the Group's Baseline scenario is higher than the sum of probability weight of Good and Bad scenarios.

本集團用於評估預期信用損失的其中一個關鍵宏觀經濟因素：

One of essential macroeconomic factor used by the Group to assess ECL:

宏觀經濟因素 Macroeconomic Factor	情景加權數值 Scenario Weighted Value
2021年香港本地生產總值增長 2021 Hong Kong GDP Growth	3.05%

預期信用損失的計算受宏觀經濟因素及經濟情景所影響，若模型以較悲觀的宏觀經濟因素進行評估或增加概率至低迷情景，將會導致預期信用損失上升。本集團根據既定機制每季度對減值模型所使用的宏觀經濟因素及經濟情景的概率進行重檢。

The calculation of ECL is affected by macroeconomic factors and economic scenarios. If more pessimistic macroeconomic factors are applied in ECL assessment or a higher probability is assigned to the Bad scenario, it would resulted in an increase in ECL. The Group reviews the macroeconomic factors used in the ECL model and the probability weight of economic scenarios on a quarterly basis according to the established mechanism.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

預期信用損失(ECL)方法論（續）

Expected Credit Loss (“ECL”) Methodology (continued)

風險委員會負責審批預期信用損失方法論，管理層負責預期信用損失模型的應用。信貸風險管理負責維護預期信用損失方法論，包括常規性的模型重檢及參數更新。獨立模型驗證團隊負責每年的預期信用損失模型驗證。如預期信用損失方法論有任何變更，本集團將按既定的程序進行審批。

RMC is responsible for approving ECL methodology and the Management is responsible for the ECL model implementation. Credit Risk Management is responsible for the maintenance of ECL methodology including models review and parameters update on a regular basis. Independent Model Validation Team is responsible for the annual validation of ECL models. If there is any change in ECL methodology, the Group will follow the proper approval process.

抵押品及其他改善信貸條件

Collateral held as security and other credit enhancements

本集團制定抵押品估值及管理的信貸風險管理政策與程序，明確抵押品的接受準則、法律有效力、貸款與估值比率、估損折扣比率、估值及保險等規定。本集團須定期重估抵押品價值，並按抵押品種類、授信性質及風險狀況而採用不同的估值頻率及方式。物業抵押品是本集團主要押品，本集團已建立機制包括利用指數以組合形式對物業進行估值。抵押品須購買保險並以本集團作為第一受益人。個人貸款以房地產、存款及證券作為主要抵押品；工商貸款的抵押品包括房地產、證券、現金存款、船舶等。

The valuation and management of collateral have been documented in the credit risk management policies and procedures which cover acceptance criteria, validity of collateral, loan-to-value ratio, haircut ratio, valuation and insurance, etc. The collateral is revalued on a regular basis, though the frequency and the method used varies with the type of collateral involved and the nature and the risk of the underlying credit. The Group has established a mechanism to update the value of its main type of collateral, property collateral including the use of public indices on a portfolio basis. Collateral is insured with the Group as the primary beneficiary. In the personal sector, the main types of collateral are real estate, cash deposits and securities. In the commercial and industrial sector, the types of collateral include real estate, securities, cash deposits, vessels, etc.

對於由第三者提供擔保的貸款，本集團會評估擔保人的財政狀況、信貸紀錄及履約能力。

For loans guaranteed by a third party, the Group will assess the guarantor’s financial condition, credit history and ability to meet obligations.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

抵押品及其他改善信貸條件（續）

Collateral held as security and other credit enhancements (continued)

於 2020 年 12 月 31 日，本集團持有允許於借款人未違約情況下出售或再抵押之抵押品公平值為港幣 51.68 億元（2019 年：港幣 63.35 億元）。本集團並無出售或再抵押該等抵押品（2019 年：無）。該等交易乃按反向回購及借入證券協議之一般及慣常條款進行。

As at 31 December 2020, the fair value of collateral held by the Group that was permitted to sell or re-pledge in the absence of default by the borrower amounted to HK$5,168 million (2019: HK$6,335 million). The Group had not sold or re-pledged such collateral (2019: Nil). These transactions are conducted under terms that are usual and customary to reverse repurchase and securities borrowing agreements.

(A) 信貸風險承擔

(A) Credit exposures

本集團之最高信貸風險承擔是未考慮任何抵押品或其他改善信貸條件的最大風險承擔。對於資產負債表內資產，最高信貸風險承擔相等於其賬面值。對於開出擔保函，最高信貸風險承擔是被擔保人要求本集團代為償付債務的最高金額。對於貸款承諾及其他信貸有關負債，最高信貸風險承擔為授信承諾的全額。

The maximum credit exposure is the worst case scenario of exposure to the Group without taking into account any collateral held or other credit enhancements. For on-balance sheet assets, the maximum exposure to credit risk equals their carrying amount. For letters of guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group could be required to pay if the guarantees are called upon. For loan commitment and other credit related liabilities, the maximum exposure to credit risk is the full amount of the committed facilities.

以下為所持抵押品及其他改善信貸條件的性質及其對本集團各類金融資產的財務影響。

The nature of the collateral held and other credit enhancements and their financial effect to the different classes of the Group's financial assets are as follows.

<u>在銀行及其他金融機構之結餘及定期存放</u>

<u>Balances and placements with banks and other financial institutions</u>

考慮到交易對手的性質，一般會視為低風險承擔。因此一般不會就此等資產尋求抵押品。

These exposures are generally considered to be low risk due to the nature of the counterparties. Collateral is generally not sought on these assets.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(A) 信貸風險承擔（續） (A) Credit exposures (continued)

以公平值變化計入損益之金融資產及證券投資

一般不會就債務證券尋求抵押品。

衍生金融工具

本集團傾向以國際掉期及衍生工具協會出版的主協議（「ISDA 主協議」）作為衍生工具業務的協議文件。該 ISDA 主協議為敍做場外衍生交易提供合約框架，並載有於發生違約事件或終止事件後終止交易時所採用之淨額結算條款。此外，亦會視乎需要考慮於 ISDA 主協議之附約中附加信用支持附件(CSA)。根據 CSA，抵押品會按情況由交易一方轉交另一方，以緩釋信貸風險承擔。

貸款及其他賬項、或然負債及承擔

一般抵押品種類已載於第 131 頁。本集團根據對貸款及其他賬項、或然負債及承擔的個別風險承擔的評估，考慮適當之抵押品。有關客戶貸款之抵押品覆蓋率已分析於第 147 至 148 頁。或然負債及承擔之主要組合及性質已載於附註 39，就不需事先通知的無條件撤銷之承諾，如客戶的信貸質素下降，本集團會評估撤回其授信額度的需要性。於 2020 年 12 月 31 日，有抵押品覆蓋之或然負債及承擔為 13.19%（2019 年：14.15%）。

Financial assets at fair value through profit or loss and investment in securities

Collateral is generally not sought on debt securities.

Derivative financial instruments

The Master Agreement published by the International Swaps and Derivatives Association, Inc. ("ISDA Master Agreement") is the preferred agreement for documenting derivative activities of the Group. It provides the contractual framework under which dealing activities of over-the-counter ("OTC") transactions are conducted, and sets out close-out netting provisions upon termination following the occurrence of an event of default or a termination event. In addition, if deemed necessary, Credit Support Annex ("CSA") will be included to form part of the Schedule to the ISDA Master Agreement. Under a CSA, collateral is passed from one counterparty to another, as appropriate, to mitigate the credit exposures.

Advances and other accounts, contingent liabilities and commitments

The general types of collateral are disclosed on page 131. Advances and other accounts, contingent liabilities and commitments are collateralised to the extent considered appropriate by the Group taking account of the risk assessment of individual exposures. The collateral coverage of advances to customers is analysed on pages 147 to 148. The components and nature of contingent liabilities and commitments are disclosed in Note 39. Regarding the commitments that are unconditionally cancellable without prior notice, the Group would assess the necessity to withdraw the credit line in case where the credit quality of a borrower deteriorates. For contingent liabilities and commitments, 13.19% (2019: 14.15%) were covered by collateral as at 31 December 2020.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項 (B) Advances and other accounts

提取減值準備前之總貸款及其他賬項按產品類別概述如下：

Gross advances and other accounts before impairment allowances are summarised by product type as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
客戶貸款	Advances to customers		
個人	Personal		
- 按揭	- Mortgages	**340,587**	298,914
- 信用卡	- Credit cards	**10,981**	14,688
- 其他	- Others	**105,445**	100,754
公司	Corporate		
- 商業貸款	- Commercial loans	**973,746**	905,303
- 貿易融資	- Trade finance	**66,497**	75,764
		1,497,256	1,395,423
貿易票據	Trade bills	**9,826**	20,727
銀行及其他金融機構貸款	Advances to banks and other financial institutions	**1,898**	3,387
		1,508,980	1,419,537

有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。須定期分期償還之貸款，若其中一次分期還款已逾期及仍未償還，則列作逾期處理。須即期償還之貸款若已向借款人送達還款通知，但借款人未按指示還款，或貸款一直超出借款人獲通知之批准貸款限額，亦列作逾期處理。

Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is past due and remains unpaid. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction or when the advances have remained continuously to exceed the approved limit that was advised to the borrower.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

當發生一項或多項事件對授信的未來現金流產生不利的影響，例如超過90天以上逾期，或借款人可能無法全額支付本集團的債務，有關授信將視為違約授信。信貸減值授信被確定為第三階段需按整個存續期計提預期信用損失。

Advances are default when one or more events that have a detrimental impact on the estimated future cash flows have occurred such as past due for more than 90 days or the borrower is unlikely to pay in full for the credit obligations to the Group. Credit-impaired advances are classified as Stage 3 and lifetime expected credit losses will be recognised.

根據以下可觀察證據來決定授信是減值貸款：

Evidence that an advance is credit-impaired include observable data about the following events:

- 借款人出現重大的財務困難；
- 出現違約事件，例如不履行或逾期償還本金或利息；
- 當借款人出現財務困難，本集團基於經濟或法律因素考慮而特別給予借款人貸款條件上的優惠；
- 有證據顯示借款人將會破產或進行財務重整；或
- 其他明顯訊息反映有關貸款的未來現金流將會出現明顯下降。

- Significant financial difficulty incurred by the borrower;
- A breach of contract, such as a default or delinquency in principal or interest payment;
- For economic or legal reasons related to the borrower's financial difficulty, the Group has granted to the borrower a concession that it would not otherwise consider;
- Probable that the borrower will become bankrupt or undergo other financial reorganisation; or
- Other observable data indicating that there is a measurable decrease in the estimated future cash flows from such advances.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

當貸款受全數抵押擔保，即使被界定為第三階段，亦未必導致減值損失。

Advances classified as Stage 3 may not necessarily result in impairment loss where the advances are fully collateralised.

提取減值準備前之總貸款及其他賬項按內部信貸評級及階段分析如下：

Gross advances and other accounts before impairment allowances are analysed by internal credit grade and stage classification as follows:

		2020			
		第一階段 Stage 1	第二階段 Stage 2	第三階段 Stage 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
客戶貸款	**Advances to customers**				
合格	Pass	1,466,038	20,352	-	1,486,390
需要關注	Special mention	3,846	3,026	-	6,872
次級或以下	Substandard or below	-	-	3,994	3,994
		1,469,884	23,378	3,994	1,497,256
貿易票據	**Trade bills**				
合格	Pass	9,826	-	-	9,826
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		9,826	-	-	9,826
銀行及其他金融機構貸款	**Advances to banks and other financial institutions**				
合格	Pass	1,898	-	-	1,898
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		1,898	-	-	1,898
		1,481,608	23,378	3,994	1,508,980
減值準備	Impairment allowances	(5,405)	(1,115)	(2,652)	(9,172)
		1,476,203	22,263	1,342	1,499,808

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

		2019 第一階段 Stage 1 港幣百萬元 HK$'m	2019 第二階段 Stage 2 港幣百萬元 HK$'m	2019 第三階段 Stage 3 港幣百萬元 HK$'m	2019 總計 Total 港幣百萬元 HK$'m
客戶貸款	**Advances to customers**				
合格	Pass	1,385,310	1,592	-	1,386,902
需要關注	Special mention	2,683	2,621	-	5,304
次級或以下	Substandard or below	-	-	3,217	3,217
		1,387,993	4,213	3,217	1,395,423
貿易票據	**Trade bills**				
合格	Pass	20,727	-	-	20,727
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		20,727	-	-	20,727
銀行及其他金融機構貸款	**Advances to banks and other financial institutions**				
合格	Pass	3,387	-	-	3,387
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		3,387	-	-	3,387
		1,412,107	4,213	3,217	1,419,537
減值準備	Impairment allowances	(4,564)	(297)	(2,175)	(7,036)
		1,407,543	3,916	1,042	1,412,501

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

貸款及其他賬項之減值準備及總額變動情況列示如下：

Reconciliation of impairment allowances and gross amount for advances and other accounts is as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
減值準備	**Impairment allowances**				
於2020年1月1日	At 1 January 2020	4,564	297	2,175	7,036
轉至第一階段	Transfer to Stage 1	96	(94)	(2)	-
轉至第二階段	Transfer to Stage 2	(166)	177	(11)	-
轉至第三階段	Transfer to Stage 3	(8)	(19)	27	-
階段轉撥產生之變動	Changes arising from transfer of stage	(76)	782	772	1,478
本年撥備	Charge for the year	2,894	104	300	3,298
本年撥回	Reversal for the year	(1,920)	(132)	(235)	(2,287)
撇銷	Write-offs	-	-	(561)	(561)
收回已撇銷賬項	Recoveries	-	-	136	136
匯兌差額及其他	Exchange difference and others	21	-	51	72
於2020年12月31日	At 31 December 2020	5,405	1,115	2,652	9,172
借記收益表（附註12）	Charged to income statement (Note 12)				2,489

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
總額	**Gross amount**				
於 2020 年 1 月 1 日	At 1 January 2020	**1,412,107**	**4,213**	**3,217**	**1,419,537**
轉至第一階段	Transfer to Stage 1	**1,207**	**(1,197)**	**(10)**	**-**
轉至第二階段	Transfer to Stage 2	**(22,369)**	**22,384**	**(15)**	**-**
轉至第三階段	Transfer to Stage 3	**(804)**	**(403)**	**1,207**	**-**
貸款敞口淨變化	Net change in exposures	**87,157**	**(1,628)**	**62**	**85,591**
撇銷	Write-offs	**-**	**-**	**(561)**	**(561)**
匯兌差額及其他	Exchange difference and others	**4,310**	**9**	**94**	**4,413**
於 2020 年 12 月 31 日	At 31 December 2020	**1,481,608**	**23,378**	**3,994**	**1,508,980**

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
減值準備	**Impairment allowances**				
於 2019 年 1 月 1 日	At 1 January 2019	3,748	546	1,130	5,424
轉至第一階段	Transfer to Stage 1	154	(143)	(11)	-
轉至第二階段	Transfer to Stage 2	(26)	103	(77)	-
轉至第三階段	Transfer to Stage 3	(15)	(184)	199	-
階段轉撥產生之變動	Changes arising from transfer of stage	(131)	84	1,216	1,169
本年撥備	Charge for the year	2,368	50	342	2,760
本年撥回	Reversal for the year	(1,536)	(155)	(386)	(2,077)
撇銷	Write-offs	-	-	(462)	(462)
收回已撇銷賬項	Recoveries	-	-	213	213
匯兌差額及其他	Exchange difference and others	2	(4)	11	9
於 2019 年 12 月 31 日	At 31 December 2019	4,564	297	2,175	7,036
借記收益表（附註 12）	Charged to income statement (Note 12)				1,852

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
總額	**Gross amount**				
於 2019 年 1 月 1 日	At 1 January 2019	1,277,171	8,152	2,387	1,287,710
轉至第一階段	Transfer to Stage 1	3,103	(2,614)	(489)	-
轉至第二階段	Transfer to Stage 2	(1,783)	1,927	(144)	-
轉至第三階段	Transfer to Stage 3	(1,048)	(729)	1,777	-
貸款敞口淨變化	Net change in exposures	135,085	(2,507)	140	132,718
撇銷	Write-offs	-	-	(462)	(462)
匯兌差額及其他	Exchange difference and others	(421)	(16)	8	(429)
於 2019 年 12 月 31 日	At 31 December 2019	1,412,107	4,213	3,217	1,419,537

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(a) 減值貸款 (a) Impaired advances

減值之客戶貸款分析如下：

Impaired advances to customers are analysed as follows:

		2020		2019	
		減值 Impaired	特定分類或減值 Classified or impaired	減值 Impaired	特定分類或減值 Classified or impaired
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
客戶貸款總額	Gross advances to customers	**3,994**	**3,994**	3,217	3,217
佔客戶貸款總額百分比	Percentage of gross advances to customers	**0.27%**	**0.27%**	0.23%	0.23%
就上述貸款作出之減值準備	Impairment allowances made in respect of such advances	**2,652**	**2,652**	2,175	2,175

特定分類或減值之客戶貸款是指按本集團貸款質量分類的「次級」、「呆滯」或「虧損」貸款或分類為第三階段的貸款。

Classified or impaired advances to customers represent advances which are either classified as “substandard”, “doubtful” or “loss” under the Group’s classification of loan quality, or classified as Stage 3.

減值準備已考慮上述貸款之抵押品價值。

The impairment allowances were made after taking into account the value of collateral in respect of the credit-impaired advances.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(a) 減值貸款（續） (a) Impaired advances (continued)

		2020 **港幣百萬元** **HK$'m**	2019 港幣百萬元 HK$'m
就上述有抵押品覆蓋的減值客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of impaired advances to customers	**3,046**	2,187
上述有抵押品覆蓋之減值客戶貸款	Covered portion of impaired advances to customers	**1,558**	1,011
上述沒有抵押品覆蓋之減值客戶貸款	Uncovered portion of impaired advances to customers	**2,436**	2,206

於 2020 年 12 月 31 日，沒有減值之貿易票據和銀行及其他金融機構貸款（2019 年：無）。

As at 31 December 2020, there were no impaired trade bills and advances to banks and other financial institutions (2019: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(b) 逾期超過 3 個月之貸款 (b) Advances overdue for more than three months

逾期超過 3 個月之貸款總額分析如下：

The gross amount of advances overdue for more than three months is analysed as follows:

		2020		2019	
		金額 Amount 港幣百萬元 HK$'m	佔客戶貸款總額百分比 % of gross advances to customers	金額 Amount 港幣百萬元 HK$'m	佔客戶貸款總額百分比 % of gross advances to customers
客戶貸款總額，已逾期：	Gross advances to customers which have been overdue for:				
- 超過 3 個月但不超過 6 個月	- six months or less but over three months	174	0.01%	145	0.01%
- 超過 6 個月但不超過 1 年	- one year or less but over six months	718	0.05%	836	0.06%
- 超過 1 年	- over one year	2,137	0.14%	948	0.07%
逾期超過 3 個月之貸款	Advances overdue for over three months	3,029	0.20%	1,929	0.14%
就上述貸款作出之減值準備	Impairment allowances made in respect of such advances				
- 第三階段	- Stage 3	2,332		1,651	

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(b) 逾期超過 3 個月之貸款（續） (b) Advances overdue for more than three months (continued)

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
就上述有抵押品覆蓋的客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of such advances to customers	**1,312**	487
上述有抵押品覆蓋之客戶貸款	Covered portion of such advances to customers	**913**	315
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of such advances to customers	**2,116**	1,614

逾期貸款或減值貸款的抵押品主要包括公司授信戶項下的商用資產如商業、住宅樓宇及船舶、個人授信戶項下的住宅按揭物業。

Collateral held against overdue or impaired loans is principally represented by charges over business assets such as commercial, residential premises and vessels for corporate loans and mortgages over residential properties for personal loans.

於 2020 年 12 月 31 日，沒有逾期超過 3 個月之貿易票據和銀行及其他金融機構貸款（2019 年：無）。

As at 31 December 2020, there were no trade bills and advances to banks and other financial institutions overdue for more than three months (2019: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(c) 經重組貸款 (c) Rescheduled advances

		2020		2019	
		金額 Amount	佔客戶貸款總額百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額百分比 % of gross advances to customers
		港幣百萬元 HK$'m		港幣百萬元 HK$'m	
經重組客戶貸款淨額(已扣減包含於「逾期超過3個月之貸款」部分)	Rescheduled advances to customers net of amounts included in "Advances overdue for more than three months"	**178**	**0.01%**	239	0.02%

經重組貸款指因借款人財務狀況轉壞或無法按原定還款時間表還款，經銀行與借款人重新協定還款計劃的重組貸款，且修訂後的有關利息或還款期等還款條件對集團而言屬於「非商業性」。修訂還款計劃後之經重組貸款如仍逾期超過3個月，則包括在「逾期超過3個月之貸款」內。

Rescheduled advances are those advances that have been restructured and renegotiated between the bank and borrowers because of deterioration in the financial position of the borrower or the inability of the borrower to meet the original repayment schedule, and the revised repayment terms, either of interest or the repayment period, are "non-commercial" to the Group. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in "Advances overdue for more than three months".

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度 (d) Concentration of advances to customers

(i) 按行業分類之客戶貸款總額 (i) Sectoral analysis of gross advances to customers

以下關於客戶貸款總額之行業分類分析，其行業分類乃參照有關貸款及墊款之金管局報表的填報指示而編製。

The following analysis of the gross advances to customers by industry sector is based on the categories with reference to the completion instructions for the HKMA return of loans and advances.

		2020					
		客戶貸款總額 Gross advances to customers	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	特定分類或減值 Classified or impaired	逾期 Overdue	減值準備 - 第三階段 Impairment allowances - Stage 3	減值準備 - 第一和第二階段 Impairment allowances - Stages 1 and 2
		港幣百萬元 HK$'m		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	132,966	27.12%	-	1	-	803
- 物業投資	- Property investment	64,768	67.95%	111	184	15	186
- 金融業	- Financial concerns	25,066	0.73%	-	-	-	54
- 股票經紀	- Stockbrokers	1,656	78.86%	-	-	-	3
- 批發及零售業	- Wholesale and retail trade	30,523	43.12%	198	239	109	411
- 製造業	- Manufacturing	53,629	8.05%	8	9	4	290
- 運輸及運輸設備	- Transport and transport equipment	74,633	23.05%	260	-	-	598
- 休閒活動	- Recreational activities	198	9.90%	-	-	-	2
- 資訊科技	- Information technology	25,579	0.81%	97	99	13	33
- 其他	- Others	131,571	47.23%	18	200	4	409
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	27,809	99.33%	18	183	-	17
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	311,070	99.92%	140	1,332	1	137
- 信用卡貸款	- Credit card advances	10,959	-	106	366	95	151
- 其他	- Others	100,422	94.34%	126	537	81	384
在香港使用之貸款總額	Total loans for use in Hong Kong	990,849	61.74%	1,082	3,150	322	3,478
貿易融資	Trade financing	66,497	15.36%	569	573	372	202
在香港以外使用之貸款	Loans for use outside Hong Kong	439,910	5.29%	2,343	2,217	1,958	2,840
客戶貸款總額	Gross advances to customers	1,497,256	43.10%	3,994	5,940	2,652	6,520

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度（續） (d) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額（續） (i) Sectoral analysis of gross advances to customers (continued)

		2019					
		客戶貸款總額 Gross advances to customers	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	特定分類或減值 Classified or impaired	逾期 Overdue	減值準備 - 第三階段 Impairment allowances - Stage 3	減值準備 - 第一和第二階段 Impairment allowances - Stages 1 and 2
		港幣百萬元 HK$'m		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	137,663	21.53%	-	9	-	695
- 物業投資	- Property investment	49,073	81.98%	-	158	-	62
- 金融業	- Financial concerns	29,411	0.88%	-	-	-	53
- 股票經紀	- Stockbrokers	815	98.27%	-	-	-	1
- 批發及零售業	- Wholesale and retail trade	39,880	36.86%	88	283	87	210
- 製造業	- Manufacturing	42,719	12.98%	193	222	95	174
- 運輸及運輸設備	- Transport and transport equipment	66,511	27.29%	325	69	-	180
- 休閒活動	- Recreational activities	2,161	1.19%	-	-	-	3
- 資訊科技	- Information technology	22,464	0.90%	-	48	-	76
- 其他	- Others	125,909	47.30%	6	138	4	365
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	19,855	99.68%	18	161	-	10
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	277,288	99.93%	96	1,374	-	97
- 信用卡貸款	- Credit card advances	14,663	-	127	579	113	159
- 其他	- Others	95,862	90.94%	71	504	63	358
在香港使用之貸款總額	Total loans for use in Hong Kong	924,274	59.85%	924	3,545	362	2,443
貿易融資	Trade financing	75,764	14.75%	318	340	237	154
在香港以外使用之貸款	Loans for use outside Hong Kong	395,385	6.74%	1,975	1,988	1,576	2,263
客戶貸款總額	Gross advances to customers	1,395,423	42.35%	3,217	5,873	2,175	4,860

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度（續） (d) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額（續） (i) Sectoral analysis of gross advances to customers (continued)

就構成本集團客戶貸款總額不少於 10%的行業，於收益表撥備之新提減值準備，及當年撇銷特定分類或減值貸款如下：

For those industry sectors constitute not less than 10% of the Group's gross advances to customers, the amounts of new impairment allowances charged to the income statement, and classified or impaired loans written off during the year are shown below:

		2020		2019	
		新提減值準備 New impairment allowances	**撇銷特定分類或減值貸款 Classified or impaired loans written off**	新提減值準備 New impairment allowances	撇銷特定分類或減值貸款 Classified or impaired loans written off
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	港幣百萬元 HK$'m	港幣百萬元 HK$'m
在香港使用之貸款	Loans for use in Hong Kong				
個人	Individuals				
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	**52**	**-**	50	-

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度（續） (d) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額

(ii) Geographical analysis of gross advances to customers

下列關於客戶貸款之地理區域分析是根據交易對手之所在地，並已顧及風險轉移因素。若客戶貸款之擔保人所在地與客戶所在地不同，則風險將轉移至擔保人之所在地。

The following geographical analysis of advances to customers is based on the locations of the counterparties, after taking into account the transfer of risk. For an advance to customer guaranteed by a party situated in a location different from the customer, the risk will be transferred to the location of the guarantor.

客戶貸款總額 Gross advances to customers

		2020 **港幣百萬元** **HK$'m**	2019 港幣百萬元 HK$'m
香港	Hong Kong	**1,218,025**	1,124,352
中國內地	Chinese Mainland	**112,527**	126,075
其他	Others	**166,704**	144,996
		1,497,256	1,395,423

就客戶貸款總額作出之減值準備 - 第一和第二階段 Impairment allowances made in respect of the gross advances to customers - Stages 1 and 2

		2020	2019
香港	Hong Kong	**4,551**	3,228
中國內地	Chinese Mainland	**656**	492
其他	Others	**1,313**	1,140
		6,520	4,860

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度（續） (d) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額（續） (ii) Geographical analysis of gross advances to customers (continued)

逾期貸款 Overdue advances

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
香港	Hong Kong	**4,115**	4,341
中國內地	Chinese Mainland	**567**	607
其他	Others	**1,258**	925
		5,940	5,873

就逾期貸款作出之減值準備 - 第三階段 Impairment allowances made in respect of the overdue advances - Stage 3

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
香港	Hong Kong	**1,308**	975
中國內地	Chinese Mainland	**320**	423
其他	Others	**908**	489
		2,536	1,887

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(B) 貸款及其他賬項（續） (B) Advances and other accounts (continued)

(d) 客戶貸款集中度（續） (d) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額（續） (ii) Geographical analysis of gross advances to customers (continued)

特定分類或減值貸款 Classified or impaired advances

		2020 **港幣百萬元** **HK$'m**	2019 港幣百萬元 HK$'m
香港	Hong Kong	**2,194**	1,766
中國內地	Chinese Mainland	**404**	507
其他	Others	**1,396**	944
		3,994	3,217

就特定分類或減值貸款作出之減值準備 - 第三階段 Impairment allowances made in respect of the classified or impaired advances - Stage 3

		2020 **港幣百萬元** **HK$'m**	2019 港幣百萬元 HK$'m
香港	Hong Kong	**1,410**	1,132
中國內地	Chinese Mainland	**331**	436
其他	Others	**911**	607
		2,652	2,175

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(C) 收回資產 (C) Repossessed assets

於年內，本集團通過對抵押品行使收回資產權而取得並於12月31日持有的資產，其種類及賬面值概述如下：

During the year, the Group obtained assets by taking possession of collateral held as security. The nature and carrying value of these assets held as at 31 December are summarised as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
工業物業	Industrial properties	5	-
住宅物業	Residential properties	18	7
		23	7

本集團於2020年12月31日持有的收回資產之估值為港幣0.67億元（2019年：港幣0.33億元）。這包括本集團通過對抵押取得處置或控制權的物業（如通過法律程序或業主自願交出抵押資產方式取得）而對借款人的債務進行全數或部分減除。

The estimated market value of repossessed assets held by the Group as at 31 December 2020 amounted to HK$67 million (2019: HK$33 million). The repossessed assets comprise properties in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the proprietors concerned) for release in full or in part of the obligations of the borrowers.

當收回資產的變現能力受到影響時，本集團將按情況以下列方式處理：

When the repossessed assets are not readily convertible into cash, the Group may consider the following alternatives:

- 調整出售價格 - adjusting the selling prices
- 連同抵押資產一併出售貸款 - selling the loans together with the assets
- 安排債務重組 - arranging loan restructuring

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(D) 在銀行及其他金融機構之結餘及定期存放 (D) Balances and placements with banks and other financial institutions

提取減值準備前之在銀行及其他金融機構之結餘及定期存放按內部信貸評級及階段分析如下：

Balances and placements with banks and other financial institutions before impairment allowances are analysed by internal credit grade and stage classification as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
中央銀行	**Central banks**				
合格	Pass	183,571	-	-	183,571
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		183,571	-	-	183,571
其他銀行及其他金融機構	**Other banks and other financial institutions**				
合格	Pass	241,331	-	-	241,331
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		241,331	-	-	241,331
		424,902	-	-	424,902
減值準備	Impairment allowances	(8)	-	-	(8)
		424,894	-	-	424,894

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(D) 在銀行及其他金融機構之結餘及定期存放（續） (D) Balances and placements with banks and other financial institutions (continued)

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
中央銀行	**Central banks**				
合格	Pass	163,019	-	-	163,019
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		163,019	-	-	163,019
其他銀行及其他金融機構	**Other banks and other financial institutions**				
合格	Pass	184,592	-	-	184,592
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		184,592	-	-	184,592
		347,611	-	-	347,611
減值準備	Impairment allowances	(3)	-	-	(3)
		347,608	-	-	347,608

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(D) 在銀行及其他金融機構之結餘及定期存放（續）

(D) Balances and placements with banks and other financial institutions (continued)

在銀行及其他金融機構之結餘及定期存放之減值準備變動情況列示如下：

Reconciliation of impairment allowances for balances and placements with banks and other financial institutions is as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	**第二階段 Stage 2 港幣百萬元 HK$'m**	**第三階段 Stage 3 港幣百萬元 HK$'m**	**總計 Total 港幣百萬元 HK$'m**
於 2020 年 1 月 1 日	At 1 January 2020	**3**	**-**	**-**	**3**
階段轉撥產生之變動	Changes arising from transfer of stage	**-**	**-**	**-**	**-**
本年淨撥備	Net charge for the year	**5**	**-**	**-**	**5**
匯兌差額及其他	Exchange difference and others	**-**	**-**	**-**	**-**
於 2020 年 12 月 31 日	At 31 December 2020	**8**	**-**	**-**	**8**
借記收益表（附註 12）	Charged to income statement (Note 12)				**5**

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	15	-	-	15
階段轉撥產生之變動	Changes arising from transfer of stage	-	-	-	-
本年淨撥回	Net reversal for the year	(12)	-	-	(12)
匯兌差額及其他	Exchange difference and others	-	-	-	-
於 2019 年 12 月 31 日	At 31 December 2019	3	-	-	3
貸記收益表（附註 12）	Credited to income statement (Note 12)				(12)

於 2020 年 12 月 31 日，沒有逾期或減值之在銀行及其他金融機構之結餘及定期存放（2019 年：無）。

As at 31 December 2020, there were no overdue or impaired balances and placements with banks and other financial institutions (2019: Nil).

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(E) 債務證券及存款證 (E) Debt securities and certificates of deposit

下表為以發行評級及階段分析之債務證券及存款證賬面值。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of the carrying value of debt securities and certificates of deposit by issue rating and stage classification. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
以公平值變化計入其他全面收益之證券投資	**Investment in securities at fair value through other comprehensive income**		
- 第一階段	- Stage 1		
Aaa	Aaa	**115,062**	105,381
Aa1 至 Aa3	Aa1 to Aa3	**151,807**	170,367
A1 至 A3	A1 to A3	**429,534**	351,809
A3 以下	Lower than A3	**19,064**	18,655
無評級	Unrated	**15,868**	21,445
		731,335	667,657
- 第二階段	- Stage 2	**-**	-
- 第三階段	- Stage 3	**-**	-
		731,335	667,657
其中：減值準備	Of which: impairment allowances	**(238)**	(147)
以攤餘成本計量之證券投資	**Investment in securities at amortised cost**		
- 第一階段	- Stage 1		
Aaa	Aaa	**42,880**	57,569
Aa1 至 Aa3	Aa1 to Aa3	**3,194**	2,748
A1 至 A3	A1 to A3	**4,563**	5,081
A3 以下	Lower than A3	**3,573**	2,230
無評級	Unrated	**894**	782
		55,104	68,410
- 第二階段	- Stage 2	**-**	-
- 第三階段	- Stage 3	**-**	-
		55,104	68,410
減值準備	Impairment allowances	**(11)**	(20)
		55,093	68,390

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(E) 債務證券及存款證（續） (E) Debt securities and certificates of deposit (continued)

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
以公平值變化計入損益之金融資產	**Financial assets at fair value through profit or loss**		
Aaa	Aaa	**1,095**	2,844
Aa1 至 Aa3	Aa1 to Aa3	**22,573**	26,442
A1 至 A3	A1 to A3	**3,216**	7,058
A3 以下	Lower than A3	**1,070**	1,962
無評級	Unrated	**1,324**	3,019
		29,278	41,325

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(E) 債務證券及存款證（續） (E) Debt securities and certificates of deposit (continued)

債務證券及存款證之減值準備變動情況列示如下：

Reconciliation of impairment allowances for debt securities and certificates of deposit is as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
以公平值變化計入其他全面收益之證券投資	**Investment in securities at fair value through other comprehensive income**				
於 2020 年 1 月 1 日	At 1 January 2020	**147**	**-**	**-**	**147**
階段轉撥產生之變動	Changes arising from transfer of stage	**-**	**-**	**-**	**-**
本年淨撥備	Net charge for the year	**90**	**-**	**-**	**90**
匯兌差額及其他	Exchange difference and others	**1**	**-**	**-**	**1**
於 2020 年 12 月 31 日	At 31 December 2020	**238**	**-**	**-**	**238**
借記收益表（附註 12）	Charged to income statement (Note 12)				**90**
以攤餘成本計量之證券投資	**Investment in securities at amortised cost**				
於 2020 年 1 月 1 日	At 1 January 2020	**20**	**-**	**-**	**20**
階段轉撥產生之變動	Changes arising from transfer of stage	**-**	**-**	**-**	**-**
本年淨撥回	Net reversal for the year	**(9)**	**-**	**-**	**(9)**
於 2020 年 12 月 31 日	At 31 December 2020	**11**	**-**	**-**	**11**
貸記收益表（附註 12）	Credited to income statement (Note 12)				**(9)**

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(E) 債務證券及存款證（續） (E) Debt securities and certificates of deposit (continued)

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
以公平值變化計入其他全面收益之證券投資	**Investment in securities at fair value through other comprehensive income**				
於 2019 年 1 月 1 日	At 1 January 2019	128	-	-	128
階段轉撥產生之變動	Changes arising from transfer of stage	-	-	-	-
本年淨撥備	Net charge for the year	19	-	-	19
匯兌差額及其他	Exchange difference and others	-	-	-	-
於 2019 年 12 月 31 日	At 31 December 2019	147	-	-	147
借記收益表（附註 12）	Charged to income statement (Note 12)				19
以攤餘成本計量之證券投資	**Investment in securities at amortised cost**				
於 2019 年 1 月 1 日	At 1 January 2019	10	-	-	10
階段轉撥產生之變動	Changes arising from transfer of stage	-	-	-	-
本年淨撥備	Net charge for the year	10	-	-	10
於 2019 年 12 月 31 日	At 31 December 2019	20	-	-	20
借記收益表（附註 12）	Charged to income statement (Note 12)				10

於 2020 年 12 月 31 日，沒有逾期或減值之債務證券及存款證（2019 年：無）。

As at 31 December 2020, there were no overdue or impaired debt securities and certificates of deposit (2019: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(F) 貸款承諾及財務擔保合同 (F) Loan commitments and financial guarantee contracts

貸款承諾及財務擔保合同按內部信貸評級及階段分析如下：

Loan commitments and financial guarantee contracts are analysed by internal credit grade and stage classification as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
貸款承諾及財務擔保合同	**Loan commitments and financial guarantee contracts**				
合格	Pass	**763,841**	**3,007**	**-**	**766,848**
需要關注	Special mention	**1,640**	**1,225**	**-**	**2,865**
次級或以下	Substandard or below	**-**	**-**	**36**	**36**
		765,481	**4,232**	**36**	**769,749**

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
貸款承諾及財務擔保合同	**Loan commitments and financial guarantee contracts**				
合格	Pass	683,020	477	-	683,497
需要關注	Special mention	1,769	749	-	2,518
次級或以下	Substandard or below	-	-	38	38
		684,789	1,226	38	686,053

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(F) 貸款承諾及財務擔保合同（續） (F) Loan commitments and financial guarantee contracts (continued)

貸款承諾及財務擔保合同之減值準備變動情況列示如下：

Reconciliation of impairment allowances for loan commitments and financial guarantee contracts is as follows:

		2020			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
於2020年1月1日	At 1 January 2020	**535**	**22**	**20**	**577**
轉至第一階段	Transfer to Stage 1	**13**	**(13)**	**-**	**-**
轉至第二階段	Transfer to Stage 2	**(3)**	**3**	**-**	**-**
轉至第三階段	Transfer to Stage 3	**-**	**-**	**-**	**-**
階段轉撥產生之變動	Changes arising from transfer of stage	**(12)**	**35**	**-**	**23**
本年淨撥備／（撥回）	Net charge/(reversal) for the year	**57**	**(3)**	**-**	**54**
匯兌差額及其他	Exchange difference and others	**4**	**-**	**-**	**4**
於2020年12月31日	At 31 December 2020	**594**	**44**	**20**	**658**
借記收益表（附註12）	Charged to income statement (Note 12)				**77**

		2019			
		第一階段 Stage 1 港幣百萬元 HK$'m	第二階段 Stage 2 港幣百萬元 HK$'m	第三階段 Stage 3 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
於2019年1月1日	At 1 January 2019	375	20	43	438
轉至第一階段	Transfer to Stage 1	14	(13)	(1)	-
轉至第二階段	Transfer to Stage 2	(2)	2	-	-
轉至第三階段	Transfer to Stage 3	-	-	-	-
階段轉撥產生之變動	Changes arising from transfer of stage	(12)	11	-	(1)
本年淨撥備／（撥回）	Net charge/(reversal) for the year	161	1	(25)	137
匯兌差額及其他	Exchange difference and others	(1)	1	3	3
於2019年12月31日	At 31 December 2019	535	22	20	577
借記收益表（附註12）	Charged to income statement (Note 12)				136

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(G) 應對新冠肺炎疫情的信貸風險管理 (G) Credit risk management in response to COVID-19 pandemic

2020年，新冠肺炎疫情對全球的經濟造成嚴重影響。在疫情仍然反覆的情況下，客戶的經營及財務狀況持續受到壓力。本集團已採取一連串的風險管控措施以應對疫情帶來的影響及不確定性：

The prolonged COVID-19 pandemic has caused significant adverse impact to the global economy during 2020. While the pandemic remains volatile, the operating and financial situations of borrowers will continue to suffer from pressure. The Group has taken a series of risk control measures in response to the adverse impact and the uncertainty from the pandemic:

- 本集團配合金管局為個人及工商客戶推行一系列的紓困措施，以緩解其面對的財務壓力及疫情的影響。審批紓困措施相關貸款與其他授信准入標準一致，還款條款也是按商業準則進行調整，因此紓困措施項下貸款不會自動觸發階段遷移至第二階段及第三階段，亦不會分類為經重組貸款。

- The Group coordinated with the HKMA in launching various relief measures for individuals and commercial borrowers, in order to alleviate the financial pressure and the impact of the pandemic. The underwriting standards of the loans under relief measures are consistent with other credits and the repayment terms are revised on commercial basis. Therefore, loans under relief measures do not automatically trigger the migration to Stage 2 and Stage 3, and are not classified as rescheduled advances.

- 防疫措施的實施，對部分行業造成重大打擊，當中包括貿易、零售、航空、旅遊（含酒店業）、餐飲、娛樂等。本集團對有關行業的客戶進行風險評估，就客戶受到疫情的影響、應對措施及短期再融資方案逐一評估，以識別受影響客戶，並納入觀察名單以作持續密切監控，客戶的資產評級及內部評級會根據其最新狀況重檢。

- As the implementation of quarantine measures, several industries are severely hit, including Trading, Retail, Aviation, Tourism (including hospitality), Catering, Entertainment etc. The Group has conducted risk-based assessments on the borrowers within these industries. The impacts of the pandemic on the affected borrowers, their respective mitigation measures and short-term refinancing plans were also assessed, vulnerable borrowers were identified and put into the watchlist for on-going close monitoring. The loan classification and internal ratings of these borrowers were reviewed according to their latest situation.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.1 信貸風險（續） 4.1 Credit risk (continued)

(G) 應對新冠肺炎疫情的信貸風險管理（續） (G) Credit risk management in response to COVID-19 pandemic (continued)

- 本集團定期以不同影響程度的新冠肺炎疫情情景進行壓力測試，以評估對信用損失及資產質量的潛在影響。

- The Group performed stress tests of different scenarios of containment of COVID-19 pandemic regularly to assess the potential impacts on credit loss and asset quality.

- 本集團重檢及更新預期信用損失模型所使用的宏觀經濟參數，以反映經濟前景的不確定性。此外，本集團對新冠肺炎疫情影響而納入監察名單中主要客戶的內部評級進行重檢，受影響的客戶評級因此下調，帶動第一階段及第二階段減值準備的增提，從而加強抵禦未來因經濟不明朗帶來的衝擊。

- The Group reviewed and updated the forward looking macroeconomic factors used in ECL computation to reflect the uncertain economic outlook due to impact of COVID-19 pandemic. In addition, the Group performed internal rating review of major borrowers being put into watchlist due to COVID-19 pandemic impacts, resulting in downgrades of those affected borrowers hence leading to additional Stage 1 and Stage 2 impairment allowance to withstand the uncertainty of future economic conditions.

本集團會持續監察疫情對經濟的影響，並將繼續採用審慎的資產質量管理，避免資產質量出現顯著惡化。

The Group will closely monitor the situation brought by the COVID-19 pandemic on the economy and will continue to adopt prudent asset quality management for avoiding significant deterioration in asset quality.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險

市場風險是指因金融市場價格（匯率、利率、股票價格、商品價格）波動導致銀行外匯、利率、股票和商品持倉值出現變化而可能給本集團帶來的損失。本集團採取適中的市場風險偏好，實現風險與收益的平衡。市場風險管理的目標，是根據本集團的風險偏好和資金業務發展策略，依靠完善的風險管理制度和相關管理手段，有效管理本集團業務中可能產生的市場風險，促進資金業務健康發展。

本集團按照風險管理企業管治原則管理市場風險，董事會及風險委員會、高層管理人員和職能部門╱單位，各司其職，各負其責。風險管理部負責本集團市場風險管理，協助高層管理人員履行日常管理職責，獨立監察本集團及中銀香港的市場風險狀況以及管理政策和限額執行情況，並確保整體和個別的市場風險均控制在可接受水平內。

4.2 Market risk

Market risk refers to the risk of loss arising from movements in the value of foreign exchange, interest rate, equity and commodity positions held by the Group due to the volatility of financial market price (foreign exchange rate, interest rate, equity price, commodity price). The Group adopts a moderate market risk appetite to achieve a balance between risk and return. The Group's objective in managing market risk is to secure healthy growth of the treasury business, by the effective management of potential market risk in the Group's business, according to the Group's overall risk appetite and strategy of the treasury business on the basis of a well-established risk management regime and related management measures.

In accordance with the Group's corporate governance principles in respect of risk management, the Board and RMC, senior management and functional departments/units perform their duties and responsibilities to manage the Group's market risk. The RMD is responsible for the Group's market risk management, assisting senior management to perform their day-to-day duties, independently monitoring the market risk profile and compliance of management policies and limits of the Group and BOCHK, and ensuring that the aggregate and individual market risks are within acceptable levels.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險 （續） 4.2 Market risk (continued)

本集團市場風險管理的範圍，包括中銀香港和附屬機構。本集團制訂市場風險管理政策，規範中銀香港及附屬機構的市場風險管理，同時，設置集團風險值及壓力測試限額，並根據業務需求和風險承受能力統一配置和監督使用。在符合集團政策規定的前提下，附屬機構制訂具體的政策及程序，承擔其日常市場風險管理責任。

The Group's market risk management covers BOCHK and its subsidiaries. The Group establishes market risk management policies to regulate BOCHK's and its subsidiaries' market risk management; meanwhile, the Group sets up the Group's VaR and stress test limits, which are allocated and monitored across the Group according to the business requirements and risk tolerance levels. In line with the requirements set in the Group's policy, the subsidiaries formulate the detailed policies and procedures and are responsible for managing their daily market risk.

本集團設有市場風險指標及限額，用於識別、計量、監測和控制市場風險。主要風險指標和限額包括但不限於風險值、止損額、敞口額、壓力測試以及敏感性分析（基點價值、期權敏感度）等。主要風險指標和限額視管理需要劃分為三個層級，分別由風險委員會、高層管理人員或業務單位主管批准，中銀香港資金業務單位及附屬機構（就集團限額而言）必須在批核的市場風險指標和限額範圍內開展業務。

The Group sets up market risk indicators and limits to identify, measure, monitor and control market risk. Major risk indicators and limits include but are not limited to VaR, Stop Loss, Open Position, Stress Testing and Sensitivity Analysis (Basis Point Value, Greeks), etc. To meet management's requirements, major risk indicators and limits are classified into three levels, and are approved by the RMC, senior management or the head of the respective business unit respectively. The treasury business units of BOCHK and subsidiaries (as for Group Limit) are required to conduct their business within approved market risk indicators and limits.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(A) 風險值 (A) VaR

本集團採用風險值量度一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去2年歷史市場數據為參照，計算99%置信水平下及1天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

The Group uses the VaR to measure and report general market risks to the RMC and senior management on a periodic basis. The Group adopts a uniformed VaR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VaR of the Group and its subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VaR limit of the Group and its subsidiaries.

下表詳述本集團一般市場風險持倉的風險值[1]。

The following table sets out the VaR for all general market risk exposures[1] of the Group.

		年份 Year	於12月31日 At 31 December	全年最低數值 Minimum for the year	全年最高數值 Maximum for the year	全年平均數值 Average for the year
			港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
全部市場風險之風險值	VaR for all market risk	**2020**	**27.4**	**17.5**	**50.1**	**31.1**
		2019	26.6	17.6	52.3	31.0
匯率風險之風險值	VaR for foreign exchange risk	**2020**	**27.8**	**6.5**	**30.8**	**21.1**
		2019	9.3	7.2	21.1	12.7
交易賬利率風險之風險值	VaR for interest rate risk in the trading book	**2020**	**10.1**	**5.8**	**35.6**	**18.5**
		2019	25.3	9.8	41.6	21.3
交易賬股票風險之風險值	VaR for equity risk in the trading book	**2020**	**0.8**	**0.3**	**2.9**	**1.0**
		2019	0.7	0.2	2.5	0.8
商品風險之風險值	VaR for commodity risk	**2020**	**2.5**	**0.0**	**11.2**	**1.8**
		2019	1.7	0.2	43.7	16.1

註：

1. 不包括結構性外匯敞口的風險值。

Note:

1. Structural FX positions have been excluded.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(A) 風險值（續） (A) VaR (continued)

雖然風險值是量度市場風險的一項重要指標，但也有其局限性，例如：

- 採用歷史市場數據估計未來動態未能顧及所有可能出現的情況，尤其是一些極端情況；
- 1天持有期的計算方法假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在1天持有期內套現或對沖所有頭盤；
- 根據定義，當採用99%置信水平時，即未有考慮在此置信水平以外或會出現的虧損；以及
- 風險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

Although there is a valuable guide to market risk, VaR should always be viewed in the context of its limitations. For example:

- the use of historical market data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;
- the use of a 99% confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and
- VaR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(A) 風險值（續） (A) VaR (continued)

本集團充分了解風險值指標的局限性，因此，制定了壓力測試指標及限額以評估和管理風險值不能涵蓋的市場風險。市場風險壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，如1987股災、1994債券市場危機、1997亞洲金融風暴、2001年美國911事件以及2008金融海嘯等。

The Group recognises these limitations by formulating stress test indicators and limits to assess and manage the market risk uncovered by VaR. The stress testing programme of the market risk includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1987 Equity Market Crash, 1994 Bond Market Crash, 1997 Asian Financial Crisis, 2001 9-11 event and 2008 Financial Tsunami, etc.

(B) 外匯風險 (B) Currency risk

本集團的資產及負債集中在港元、美元及人民幣等主要貨幣。為確保外匯風險承擔保持在可接受水平，本集團利用風險限額（例如頭盤及風險值限額）作為監控工具。此外，本集團致力於減少同一貨幣的資產與負債錯配，並通常利用外匯合約（例如外匯掉期）管理由外幣資產負債所產生的外匯風險。

The Group's assets and liabilities are denominated in major currencies, particularly HK Dollar, US Dollar and Renminbi. To ensure the currency risk exposure of the Group is kept to an acceptable level, risk limits (e.g. Position and VaR limit) are used to serve as a monitoring tool. Moreover, the Group seeks to minimise the gap between assets and liabilities in the same currency. Foreign exchange contracts (e.g. FX swaps) are usually used to manage FX risk associated with foreign currency-denominated assets and liabilities.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(B) 外匯風險（續） (B) Currency risk (continued)

下表列出本集團因自營交易、非自營交易及結構性倉盤而產生之主要外幣風險額，並參照有關持有外匯情況之金管局報表的填報指示而編製。期權盤淨額乃根據所有外匯期權合約之「得爾塔加權持倉」為基礎計算。

The following is a summary of the Group's major foreign currency exposures arising from trading, non-trading and structural positions and is prepared with reference to the completion instructions for the HKMA return of foreign currency position. The net options position is calculated based on the basis of delta-weighted positions of all foreign exchange options contracts.

2020

		港幣百萬元等值 Equivalent in million of HK$							
		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	**910,330**	**30,074**	**160,779**	**45,926**	**381,197**	**36,620**	**62,007**	**1,626,933**
現貨負債	Spot liabilities	**(830,528)**	**(25,986)**	**(8,006)**	**(27,974)**	**(366,800)**	**(30,815)**	**(60,400)**	**(1,350,509)**
遠期買入	Forward purchases	**616,841**	**23,737**	**18,050**	**39,254**	**365,271**	**15,063**	**54,352**	**1,132,568**
遠期賣出	Forward sales	**(676,931)**	**(27,641)**	**(170,914)**	**(57,474)**	**(382,087)**	**(20,758)**	**(56,136)**	**(1,391,941)**
期權盤淨額	Net options position	**650**	**7**	**-**	**(2)**	**(406)**	**(1)**	**(1)**	**247**
長／（短）盤淨額	Net long/(short) position	**20,362**	**191**	**(91)**	**(270)**	**(2,825)**	**109**	**(178)**	**17,298**

2019

		港幣百萬元等值 Equivalent in million of HK$							
		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	836,139	29,513	123,344	40,611	272,977	37,785	70,894	1,411,263
現貨負債	Spot liabilities	(800,834)	(17,530)	(13,099)	(25,326)	(262,978)	(24,821)	(67,571)	(1,212,159)
遠期買入	Forward purchases	987,222	21,177	35,349	49,566	529,913	20,718	50,291	1,694,236
遠期賣出	Forward sales	(1,021,888)	(33,139)	(145,612)	(64,801)	(538,243)	(33,632)	(54,187)	(1,891,502)
期權盤淨額	Net options position	144	56	4	(86)	(293)	(15)	(24)	(214)
長／（短）盤淨額	Net long/(short) position	783	77	(14)	(36)	1,376	35	(597)	1,624

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(B) 外匯風險（續） (B) Currency risk (continued)

		2020					
		港幣百萬元等值 Equivalent in million of HK$					
		美元 **US Dollars**	泰銖 **Baht**	馬來西亞林吉特 **Malaysian Ringgit**	菲律賓披索 **Philippine Peso**	其他外幣 **Other foreign currencies**	外幣總額 **Total foreign currencies**
結構性倉盤淨額	Net structural position	**30,042**	**2,697**	**3,024**	**1,881**	**4,677**	**42,321**

		2019					
		港幣百萬元等值 Equivalent in million of HK$					
		美元 US Dollars	泰銖 Baht	馬來西亞林吉特 Malaysian Ringgit	菲律賓披索 Philippine Peso	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
結構性倉盤淨額	Net structural position	29,052	2,625	2,903	1,737	4,523	40,840

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險 (C) Interest rate risk

利率風險是指因利率水平、資產負債期限結構等要素發生變動而可能導致銀行整體收益和經濟價值承受損失的風險。本集團的利率風險承擔主要來自結構性持倉。結構性持倉的主要利率風險類別為：

Interest rate risk means the risks to a bank's earnings and economic value arising from movements in interest rate and term structures of the bank's asset and liability positions. The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are:

- 利率重訂風險：資產與負債的到期日或重訂價格期限可能錯配，進而影響淨利息收入及經濟價值；

- Gap risk: mismatches in the maturity or repricing periods of assets and liabilities that may affect net interest income and economic value;

- 利率基準風險：不同交易的定價基準不同，令資產的收益率和負債的成本可能會在同一重訂價格期間以不同的幅度變化；及

- Basis risk: different pricing basis for different transactions resulting that the yield on assets and cost of liabilities may change by different amounts within the same repricing period; and

- 期權風險：由於資產、負債或表外項目附設有期權，當期權行使時會改變相關資產或負債的現金流。

- Option risk: exercise of the options embedded in assets, liabilities or off-balance sheet items that can cause a change in the cash flows of assets and liabilities.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

本集團風險管理架構同樣適用於利率風險管理。根據風險委員會批准的《中銀香港集團銀行賬利率風險管理政策》，資產負債管理委員會(ALCO)具體履行管理集團利率風險的職責。風險管理部負責本集團利率風險管理，在財務管理部及投資管理等的配合下，協助資產負債管理委員會開展日常的利率風險管理工作，包括但不限於起草管理政策，選擇管理方法，設立風險指標和限額，評估目標資產負債表，監督利率風險管理政策與限額執行情況，向高層管理人員以及風險委員會提交利率風險管理報告等。

The Group's risk management framework applies also to interest rate risk management. The Asset and Liability Management Committee ("ALCO") exercises its oversight of interest rate risk in accordance with the "BOCHK Group Banking Book Interest Rate Risk Management Policy" approved by the RMC. The RMD is responsible for the Group's interest rate risk management. With the cooperation of the Financial Management Department and Investment Management, etc., RMD assists the ALCO to perform day-to-day interest rate risk management. Its roles include, but are not limited to, the formulation of management policies, selection of methodologies, setting of risk indicators and limits, assessment of target balance sheet, monitoring of the compliance with policies and limits, and submission of interest rate risk management reports to senior management and the RMC, etc.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

本集團設定利率風險指標及限額，每日用於識別、計量、監測和控制利率風險。主要風險指標和限額包括但不限於重訂價缺口、利率基準風險、久期、基點現值(PVBP)、淨利息波動比率(NII)、經濟價值波動比率(EV)等。主要風險指標和限額劃分不同層級，按不同層級分別由財務總監、風險總監、資產負債管理委員會及風險委員會批准。承擔利率風險的各業務單位必須在利率風險指標限額範圍內開展相關業務。本集團推出銀行賬新產品或新業務前，相關單位須先執行風險評估程序，包括評估潛在的利率風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行利率風險造成重大影響，須上報風險委員會審批。

The Group sets out interest rate risk indicators and limits to identify, measure, monitor and control interest rate risk on a daily basis. The indicators and limits include, but are not limited to, repricing gap limits, basis risk, duration, price value of a basis point ("PVBP"), net interest income sensitivity ratio ("NII"), economic value sensitivity ratio ("EV"), etc. The indicators and limits are classified into different levels, which are approved by the CFO, CRO, ALCO and RMC accordingly. Risk-taking business units are required to conduct their business within the boundary of the interest rate risk limits. Before launching a new product or business in the banking book, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying interest rate risk and consideration of the adequacy of current risk monitoring mechanism. Any material impact on interest rate risk noted during the risk assessment process will be submitted to the RMC for approval.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

淨利息波動比率(NII)和經濟價值波動比率(EV)反映利率變動對集團淨利息收入和資本基礎的影響，是本集團管理利率風險的重要風險指標。前者衡量利率變動導致的淨利息收入變動佔當年預期淨利息收入的比率；後者衡量利率變化對銀行經濟價值(即按市場利率折算的資產、負債及表外業務預測現金流的淨現值)的影響佔最新一級資本的比率。風險委員會為這兩項指標設定限額，用來監測和控制本集團銀行賬利率風險。

NII and EV assess the impact of interest rate movement on the Group's net interest income and capital base. They are the Group's key interest rate risk indicators. The former assesses the impact of interest rate movement on net interest income as a percentage to the projected net interest income for the year. The latter assesses the impact of interest rate movement on economic value (i.e. the net present value of cash flows of assets, liabilities and off-balance sheet items discounted using the market interest rate) as a percentage to the latest Tier 1 capital. Limits are set by the RMC on these two indicators to monitor and control the Group's banking book interest rate risk.

本集團採用情景分析和壓力測試方法，評估不利市況下銀行賬可能承受的利率風險。情景分析和壓力測試同時用於測試儲蓄存款客戶擇權、按揭客戶提早還款、以及內含期權債務證券提前還款對銀行淨利息收入和經濟價值的影響。

The Group uses scenario analyses and stress tests to assess the banking book interest rate risk that the Group would face under adverse circumstances. Scenario analyses and stress tests are also used to assess the impact on net interest income and economic value arising from the optionality of savings deposits, the prepayment of mortgage loans and the prepayment of debt securities with embedded options.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

本集團主要面對港元、美元及人民幣利率風險。截至 2020 年 12 月 31 日，若市場利率的收益率曲線平行移動 100 個基點，其他因素不變情況下，對本集團未來 12 個月的淨利息收入及對儲備的敏感度如下：

The Group is principally exposed to HK Dollar, US Dollar and Renminbi in terms of interest rate risk. As at 31 December 2020, if market interest rates had a 100 basis point parallel shift of the yield curve with other variables held constant, the sensitivities on net interest income over a twelve-month period and on reserves for the Group would have been as follows:

		於 12 月 31 日對未來 12 個月淨利息收入的影響 Impact on net interest income over the next twelve months at 31 December		於 12 月 31 日對儲備的影響 Impact on reserves at 31 December	
		2020	2019	**2020**	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	港幣百萬元 HK$'m
收益率曲線平行上移 100 個基點	**100 basis point parallel up of yield curve**				
合計	Total	**2,589**	2,305	**(7,827)**	(6,482)
其中：	Of which:				
港元	HK Dollar	**4,148**	3,583	**(576)**	(263)
美元	US Dollar	**158**	(387)	**(3,826)**	(3,585)
人民幣	Renminbi	**(1,448)**	(623)	**(2,599)**	(2,017)
收益率曲線平行下移 100 個基點	**100 basis point parallel down of yield curve**				
合計	Total	**(2,589)**	(2,309)	**7,827**	6,482
其中：	Of which:				
港元	HK Dollar	**(4,148)**	(3,583)	**576**	263
美元	US Dollar	**(158)**	387	**3,826**	3,585
人民幣	Renminbi	**1,448**	623	**2,599**	2,017

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

在收益率曲線平行上移 100 個基點的情況下，2020 年上述貨幣的整體淨利息收入為正面影響。同時，預計債券組合及對沖會計下的利率衍生工具因收益率曲線平行上移 100 個基點出現估值減少而令集團儲備減少。淨利息收入正面影響較2019年增加及儲備減少幅度較2019年增加乃由於資本市場之債券組合規模及久期增加。

In a parallel shift up of 100 basis points of yield curve, the overall impact on net interest income of the above currencies is positive in 2020. Reserves of the Group would have been reduced because of the expected reduction in valuation of the debt securities portfolio and relevant interest rate derivatives under hedge accounting due to a parallel shift up of 100 basis points in the yield curve. The positive impact on net interest income is increased and the reduction of reserves is increased compared with 2019 because the size and duration of the debt securities portfolio in capital market increased.

在收益率曲線平行下移 100 個基點的情況下，2020 年上述貨幣的整體淨利息收入為負面影響。同時，預計債券組合及對沖會計下的利率衍生工具因收益率曲線平行下移 100 個基點出現估值增加而令集團儲備增加。淨利息收入負面影響較2019年增加及儲備較 2019 年增加乃由於資本市場之債券組合規模及久期增加。

In a parallel shift down of 100 basis points of yield curve, the overall impact on net interest income of the above currencies is negative in 2020. Reserves of the Group would have been increased because of the expected increase in valuation of the debt securities portfolio and relevant interest rate derivatives under hedge accounting due to a parallel shift down of 100 basis points in the yield curve. The negative impact on net interest income is increased and the reserves is increased compared with 2019 because the size and duration of the debt securities portfolio in capital market increased.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

上述敏感度計算僅供說明用途，當中包括（但不限於）下列假設，如相關貨幣息口的相關性變化、利率平行移動、未計及為減低利率風險可能採取的緩釋風險行動、對沖會計的有效性、所有持倉均計至到期日為止、實際重訂息日與合約重訂息日有差異或沒有到期日之產品的習性假設。上述風險承擔只為本集團整體利率風險承擔的一部分。

The sensitivities above are for illustration only and are based on several assumptions, including, but not limited to, the change in the correlation between interest rates of relevant currencies, parallel movement of interest rates, the absence of actions that would be taken to mitigate the impact of interest rate risk, the effectiveness of hedge accounting, all positions being assumed to run to maturity, behavioural assumptions of products in which the actual repricing date differs from the contractual repricing date or products without contractual maturity. The above exposures form only a part of the Group's overall interest rate risk exposures.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

下表概述了本集團於 12 月 31 日之資產負債表內的利率風險承擔。表內以賬面值列示資產及負債，並按合約重訂息率日期或到期日（以較早者為準）分類。

The tables below summarise the Group's on-balance sheet exposure to interest rate risk as at 31 December. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing date and maturity date.

		2020						
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non-interest bearing	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
資產	**Assets**							
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	338,481	25,591	12,516	1,101	-	85,392	463,081
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	4,404	17,991	4,760	3,185	2,356	49	32,745
衍生金融工具	Derivative financial instruments	-	-	-	-	-	52,811	52,811
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	189,550	189,550
貸款及其他賬項	Advances and other accounts	1,246,590	163,720	36,230	40,454	6,438	6,376	1,499,808
證券投資	Investment in securities							
- 以公平值變化計入其他全面收益	- At FVOCI	130,866	213,464	100,294	184,893	101,818	3,441	734,776
- 以攤餘成本計量	- At amortised cost	5,091	3,836	13,409	19,889	12,868	-	55,093
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	663	663
投資物業	Investment properties	-	-	-	-	-	18,740	18,740
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	46,504	46,504
其他資產（包括應收稅項及遞延稅項資產）	Other assets (including current and deferred tax assets)	20,813	-	-	-	-	29,946	50,759
資產總額	**Total assets**	1,746,245	424,602	167,209	249,522	123,480	433,472	3,144,530

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

		2020						
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non-interest bearing	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	189,550	189,550
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	226,607	565	1,322	1,243	-	96,504	326,241
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	11,551	4,346	3,690	387	362	-	20,336
衍生金融工具	Derivative financial instruments	-	-	-	-	-	60,355	60,355
客戶存款	Deposits from customers	1,577,362	246,117	111,002	1,715	-	254,126	2,190,322
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	233	-	193	-	-	-	426
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	18,477	4	93	1,139	447	40,582	60,742
後償負債	Subordinated liabilities	-	-	-	-	-	-	-
負債總額	**Total liabilities**	1,834,230	251,032	116,300	4,484	809	641,117	2,847,972
利率敏感度缺口	Interest sensitivity gap	(87,985)	173,570	50,909	245,038	122,671	(207,645)	296,558

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

		2019						
		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
資產	**Assets**							
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	247,810	25,193	6,201	-	-	87,432	366,636
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	9,684	17,216	7,740	8,871	3,111	40	46,662
衍生金融工具	Derivative financial instruments	-	-	-	-	-	31,167	31,167
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	163,840	163,840
貸款及其他賬項	Advances and other accounts	1,141,861	178,504	35,698	43,576	5,126	7,736	1,412,501
證券投資	Investment in securities							
- 以公平值變化計入其他全面收益	- At FVOCI	123,257	165,711	109,874	167,811	101,004	3,288	670,945
- 以攤餘成本計量	- At amortised cost	1,849	4,888	10,080	38,407	13,166	-	68,390
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	619	619
投資物業	Investment properties	-	-	-	-	-	20,428	20,428
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	51,173	51,173
其他資產（包括應收稅項及遞延稅項資產）	Other assets (including current and deferred tax assets)	14,170	-	-	-	-	28,023	42,193
資產總額	**Total assets**	1,538,631	391,512	169,593	258,665	122,407	393,746	2,874,554

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.2 市場風險（續） 4.2 Market risk (continued)

(C) 利率風險（續） (C) Interest rate risk (continued)

		2019						
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non-interest bearing	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	163,840	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	236,747	1,271	897	1,628	-	27,114	267,657
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	2,843	6,046	9,202	724	391	-	19,206
衍生金融工具	Derivative financial instruments	-	-	-	-	-	32,833	32,833
客戶存款	Deposits from customers	1,411,486	295,979	139,866	4,577	-	162,184	2,014,092
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	116	-	-	-	-	116
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	19,556	6	114	968	721	59,861	81,226
後償負債	Subordinated liabilities	-	12,954	-	-	-	-	12,954
負債總額	**Total liabilities**	1,670,632	316,372	150,079	7,897	1,112	445,832	2,591,924
利率敏感度缺口	Interest sensitivity gap	(132,001)	75,140	19,514	250,768	121,295	(52,086)	282,630

4.3 流動資金風險 4.3 Liquidity risk

流動資金風險是指銀行無法以合理成本及時獲得充足資金，履行到期義務的風險。本集團遵循穩健的流動資金風險偏好，確保在正常情況及壓力情景下均有能力提供穩定、可靠和足夠的現金來源，滿足流動資金需求。

Liquidity risk is the risk that banks may not be able to obtain sufficient and timely funding at a reasonable cost to meet their obligations as they fall due. The Group maintains a sound liquidity risk appetite to provide stable, reliable and adequate sources of cash to meet liquidity needs under normal circumstances and stressed scenarios.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

本集團按照風險管理企業管治原則管理流動資金風險，董事會及風險委員會、高層管理人員和職能部門／單位，各司其職，各負其責。風險委員會是流動資金風險管理決策機構，並對流動資金風險承擔最終管理責任。風險委員會授權資產負債管理委員會管理日常的流動資金風險，確保本集團的業務經營符合風險委員會設定的流動資金風險偏好和政策規定。風險管理部負責本集團流動資金風險管理，它與財務管理部及投資管理等合作，根據各自的職責分工協助資產負債管理委員會履行具體的流動資金管理職能。

In accordance with the Group's corporate governance principles in respect of risk management, the Board and the RMC, senior management and functional departments/units perform their duties and responsibilities to manage the Group's liquidity risk. The RMC is the decision-making authority of liquidity risk management, and assumes the ultimate responsibility of liquidity risk management. As authorised by the RMC, ALCO exercises its oversight of liquidity risk and ensures the daily operations of the Group are in accordance with the risk appetite and policies as set by the RMC. The RMD is responsible for the Group's liquidity risk management. It cooperates with the Financial Management Department and Investment Management, etc. to assist the ALCO to perform liquidity management functions according to their specific responsibilities.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

本集團管理流動資金風險的目標，是按照流動資金風險偏好，以合理的成本有效管理資產負債表內及表外業務的流動性，實現穩健經營和持續盈利。本集團以客戶存款為主要的資金來源，積極吸納和穩定核心存款，並輔以同業市場拆入款項及在資本市場發行票據，確保穩定和充足的資金來源。本集團根據不同期限及壓力情景下的流動資金需求，調整資產組合的結構（包括貸款、債券投資及拆放同業等），保持充足的流動資產，以便提供足夠的流動資金支持正常業務需要，及在緊急情況下有能力以合理的成本及時籌集到資金，保證對外支付。本集團致力實現融資渠道及期限和資金運用的多樣化，以避免資產負債過於集中，防止因資金來源或運用過於集中在某個方面，當其出現問題時，導致整個資金供應鏈斷裂，觸發流動資金風險。為了管理此類風險，集團對抵押品和資金來源設置了管理集中度的限額，如第一類流動資產佔總流動資產比率、首十大存戶比率和大存戶比率等。必要時，本集團可採取緩釋措施改善流動性狀況，措施包括但不限於通過銀行同業拆借或在貨幣市場進行回購獲得資金，在二手市場出售債券或挽留現有及吸納新的客戶存款。除了增加資金外，集團還將與交易對手、母行和監管機構保持良好溝通，以加強相互信任。

The Group’s liquidity risk management objective is to effectively manage the liquidity of on- and off-balance sheet items with a reasonable cost based on the liquidity risk appetite to achieve sound operation and sustainable profitability. Deposits from customers are the Group’s primary source of funds. To ensure stable and sufficient sources of funds are in place, the Group actively attracts new deposits, keeps the core deposit and obtains supplementary funding from the interbank market and by issuing bills in the capital market. According to different term maturities and the results of funding needs estimated from stressed scenarios, the Group adjusts its asset structure (including loans, bonds investment, interbank placement, etc.) to maintain sufficient liquid assets which provides adequate funds in support of normal business needs and ensure its ability to raise funds at a reasonable cost to serve external claims in case of emergency. The Group is committed to diversify the sources, tenors and use of funding to avoid excessive concentration of assets and liabilities; and prevent triggering liquidity risk due to the break of funding strand resulting from over-concentration of sources and use of funding in a particular area where problems occur. In order to manage such risk, the Group sets concentration limits on collateral pools and sources of funding such as Tier 1 high-quality readily liquefiable assets to total high-quality readily liquefiable assets ratio, top ten depositors ratio and large depositors ratio. Whenever necessary, the Group could improve the liquidity position by taking mitigation actions including, but not limited to obtaining funding through interbank borrowings or repos in the money market, selling bonds in the secondary market or retaining existing and attracting new customer deposits. Apart from increasing the funding, the Group would maintain good communication with the counterparties, the parent bank and the regulators to enhance mutual confidence.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

本集團制訂了集團內部流動資金風險管理指引，管理集團內各成員之間的流動資金，避免相互間在資金上過度依賴。本集團亦注重管理表外業務可能產生的流動資金風險，如貸款承諾、衍生工具、期權及其他複雜的結構性產品。本集團的流動資金風險管理策略涵蓋了外幣資產負債流動管理、抵押品、即日流動性、集團內流動性以及其他風險引致的流動資金風險等，並針對流動資金風險制訂了應急計劃。

The Group has established intra-group liquidity risk management guidelines to manage the liquidity funding among different entities within the Group, and to restrict their reliance of funding on each other. The Group also pays attention to manage liquidity risk created by off-balance sheet activities, such as loan commitments, derivatives, options and other complex structured products. The Group has an overall liquidity risk management strategy to cover the liquidity management of foreign currency assets and liabilities, collateral, intra-day liquidity, intra-group liquidity, the liquidity risk arising from other risks, etc., and has formulated corresponding contingency plan.

本集團設定流動資金風險指標和限額，每日用來識別、計量、監測和控制流動資金風險，包括但不限於流動性覆蓋比率、穩定資金淨額比率、貸存比率、最大累計現金流出、以及流動資金緩衝等。本集團採用現金流量分析以評估本集團於正常情況下的流動資金狀況，並最少每月進行流動資金風險壓力測試（包括自身危機、市場危機情況及合併危機）和其他方法，評估本集團抵禦各種嚴峻流動資金危機的能力。本集團亦建立了相關管理資訊系統如資產負債管理系統及巴塞爾流動比率管理系統，提供數據及協助編製常規管理報表，以管理好流動資金風險。

The Group established liquidity risk management indicators and limits to identify, measure, monitor and control liquidity risk on a daily basis. These indicators and limits include, but are not limited to liquidity coverage ratio (“LCR”), net stable funding ratio (“NSFR”), loan-to-deposit ratio, Maximum Cumulative Cash Outflow (“MCO”) and liquidity cushion. The Group applies a cash flow analysis to assess the Group’s liquidity condition under normal conditions and also performs a liquidity stress test (including institution specific, general market crisis and combined crisis) and other methods at least on a monthly basis to assess the Group’s capability to withstand various severe liquidity crises. Also, relevant management information systems such as the Assets and Liabilities Management System and the Basel Liquidity Ratio Management System are developed to provide data and to prepare for regular management reports to facilitate liquidity risk management duties.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續）

本集團根據金管局頒佈之監管政策手冊 LM-2《穩健的流動資金風險管理系統及管控措施》中的要求，落實對現金流分析及壓力測試當中所採用的習性模型及假設，以強化本集團於日常及壓力情景下的現金流分析。在日常情況下的現金流分析，本集團對各項應用於表內項目（如客戶存款）及表外項目（如貸款承諾）作出假設。因應不同資產、負債及表外項目的特性，根據合約到期日、客戶習性假設及資產負債規模變化假設，以預測本集團的未來現金流量狀況。本集團設定「最大累計現金流出」指標，根據以上假設預測在日常情況下的未來 30 日之最大累計現金淨流出，以評估本集團的融資能力是否足以應付該現金流缺口，以達到持續經營的目的。於 2020 年 12 月 31 日，在沒有考慮出售未到期有價證券的現金流入之情況下，中銀香港之 30 日累計現金流是淨流入，為港幣 1,863.03 億元（2019 年：港幣 1,160.71 億元），符合內部限額要求。

4.3 Liquidity risk (continued)

In accordance with the requirements of Supervisory Policy Manual LM-2 “Sound Systems and controls for Liquidity Risk Management” issued by the HKMA, the Group has implemented a behaviour model and assumptions of cash flow analysis and stress test to enhance the Group’s cash flow analysis under both normal and stressed conditions. In cash flow analysis under normal circumstances, assumptions have been made relating to on-balance sheet items (such as deposits from customers) and off-balance sheet items (such as loan commitments). According to various characteristics of the assets, liabilities and off-balance sheet items, the Group forecasts the future cash flow based on the contractual maturity date and the assumptions of customer behaviour and balance sheet changes. The Group establishes the MCO indicator which predicts the future 30 days maximum cumulative net cash outflow in normal situations based on the above assumptions, to assess if the Group has sufficient financing capacity to meet the cash flow gap in order to achieve the objective of continuing operations. As at 31 December 2020, before taking the cash inflow through the sale of outstanding marketable securities into consideration, BOCHK’s 30-day cumulative cash flow was a net cash inflow, amounting to HK$186,303 million (2019: HK$116,071 million) and was in compliance with the internal limit requirements.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

在流動資金風險壓力測試中，本集團設立了自身危機、市場危機及合併危機情景，合併危機情景結合自身危機及市場危機，並採用一套更嚴謹的假設，以評估本集團於更嚴峻的流動資金危機情況下的抵禦能力。壓力測試的假設包括零售存款、批發存款及同業存款之流失率，貸款承諾及與貿易相關的或然負債之提取率，貸款逾期比例及滾動發放比率，同業拆出及有價證券的折扣率等。於2020年12月31日，本集團在以上三種壓力情景下都能維持現金淨流入，表示本集團有能力應付壓力情景下的融資需要。此外，本集團的管理政策要求本集團維持流動資金緩衝，當中包括的高質素或質素相若有價證券為由官方實體、中央銀行、公營單位或多邊發展銀行發行或擔保，而其風險權重為0%或20%，或由非金融企業發行的有價證券，其外部信用評級相等於A-或以上，以確保在壓力情況下的資金需求。於2020年12月31日，中銀香港流動資金緩衝（折扣前）為港幣6,457.16億元（2019年：港幣5,313.88億元）。應急計劃明確了需根據壓力測試結果和預警指標結果為啟動方案的條件，並詳述了相關行動計劃、程序以及各相關部門的職責。

In the liquidity stress test, institution specific, general market crisis and combined crisis scenarios have been set up, a combined crisis scenario is a combination of institution specific and general market crisis to assess the Group's capability to withstand a more severe liquidity crisis, with a more stringent set of assumptions being adopted. Stress test assumptions include the run-off rate of retail, wholesale and interbank deposits; the drawdown rate of loan commitments and trade-related contingent liabilities; the delinquency ratio and rollover rate of customer loans; and haircut of interbank placement and marketable securities. As at 31 December 2020, the Group was able to maintain a net cash inflow under the three stressed scenarios, indicating the Group has the ability to meet financing needs under stressed conditions. In addition, the Group has a policy in place to maintain a liquidity cushion which includes high quality or comparable quality marketable securities issued or guaranteed by sovereigns, central banks, public sector entities or multilateral development banks with 0% or 20% risk weight or marketable securities issued by non-financial corporate with a corresponding external credit rating of A- or above to ensure funding needs even under stressed scenarios. As at 31 December 2020, the liquidity cushion (before haircut) of BOCHK was HK$645,716 million (2019: HK$531,388 million). A contingency plan is being established which details the conditions to trigger the plan based on stress test results and early warning indicators, the action plans and relevant procedures and responsibility of relevant departments.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

金管局指定本集團為第一類認可機構，並需要根據《銀行業（流動性）規則》以綜合基礎計算流動性覆蓋比率及穩定資金淨額比率。於 2020 年，本集團須維持流動性覆蓋比率及穩定資金淨額比率不少於 100%。

The Group, being classified as a category 1 authorised institution by the HKMA, is required to calculate the LCR and NSFR on a consolidated basis in accordance with the Banking (Liquidity) Rules. The Group is required to maintain a LCR and NSFR not less than 100% in 2020.

在部分衍生工具合約中，交易對手有權基於對本集團的信用狀況的關注而向本集團收取額外的抵押品。

In certain derivative contracts, the counterparties have the right to request from the Group additional collateral if they have concerns about the Group’s creditworthiness.

本集團對流動資金風險的管理，同時適用於新產品或新業務。在新產品或業務推出前，相關單位必須先履行風險評估程序，包括評估潛在的流動資金風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行流動資金風險造成重大影響，須上報風險委員會審批。

The Group’s liquidity risk management also covers new products or business developments. Before launching a new product or business, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying liquidity risk and consideration of the adequacy of the current risk management mechanism. Any material impact on liquidity risk noted during the risk assessment process will be reported to the RMC for approval.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

本集團制訂統一的流動資金風險管理政策，規範和指導所有集團成員的流動資金風險管理；各附屬機構根據集團的統一政策，結合自身特點制訂具體的管理辦法，並各自承擔管理本管機構流動資金風險的責任。各附屬機構須定期向中銀香港報告流動資金風險管理信息及相關流動資金比率，中銀香港風險管理部匯總各附屬機構的信息，對整個集團的流動資金風險狀況進行評估，確保滿足相關要求。

The Group has established a set of uniform liquidity risk management policies which serve as standards and guidance to all the Group's members for liquidity risk management. On the basis of the Group's uniform policies, each of the subsidiaries develops its own liquidity management policies according to its own characteristics, and assumes its own liquidity risk management responsibility. Subsidiaries are required to report their respective liquidity positions with relevant liquidity ratios on a regular basis to the RMD of BOCHK, which consolidates this information and evaluates group-wide liquidity risk to ensure relevant requirements are satisfied.

(A) 流動性覆蓋比率及穩定資金淨額比率 (A) Liquidity coverage ratio and net stable funding ratio

		2020	2019
流動性覆蓋比率的平均值	Average value of liquidity coverage ratio		
- 第一季度	- First quarter	**150.45%**	183.00%
- 第二季度	- Second quarter	**131.38%**	156.57%
- 第三季度	- Third quarter	**130.98%**	142.85%
- 第四季度	- Fourth quarter	**132.76%**	146.53%

流動性覆蓋比率的平均值是基於該季度的每個工作日終結時的流動性覆蓋比率的算術平均數及有關流動性狀況之金管局報表列明的計算方法及指示計算。

Average value of liquidity coverage ratio is calculated based on the arithmetic mean of the liquidity coverage ratio as at the end of each working day in the quarter and the calculation methodology and instructions set out in the HKMA return of liquidity position.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(A) 流動性覆蓋比率及穩定資金淨額比率（續） (A) Liquidity coverage ratio and net stable funding ratio (continued)

		2020	2019
穩定資金淨額比率的季度終結值	Quarter-end value of net stable funding ratio		
- 第一季度	- First quarter	**116.60%**	121.36%
- 第二季度	- Second quarter	**117.49%**	119.15%
- 第三季度	- Third quarter	**115.30%**	116.47%
- 第四季度	- Fourth quarter	**125.31%**	118.00%

穩定資金淨額比率的季度終結值是基於有關穩定資金狀況之金管局報表列明的計算方法及指示計算。

Quarter-end value of net stable funding ratio is calculated based on the calculation methodology and instructions set out in the HKMA return of stable funding position.

流動性覆蓋比率及穩定資金淨額比率是以綜合基礎計算，並根據《銀行業（流動性）規則》由中銀香港及其部分金管局指定之附屬公司組成。

Liquidity coverage ratio and net stable funding ratio are computed on the consolidated basis which comprise the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

有關流動性覆蓋比率及穩定資金淨額比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of liquidity coverage ratio and net stable funding ratio disclosures is available under the section “Regulatory Disclosures” on BOCHK’s website at www.bochk.com.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(B) 到期日分析 (B) Maturity analysis

下表為本集團於12月31日之資產及負債的到期日分析，按於結算日時，資產及負債相距合約到期日的剩餘期限分類。

The tables below analyse the Group's assets and liabilities as at 31 December into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

		2020							
		即期 On demand 港幣百萬元 HK$'m	一個月內 Up to 1 month 港幣百萬元 HK$'m	一至三個月 1 to 3 months 港幣百萬元 HK$'m	三至十二個月 3 to 12 months 港幣百萬元 HK$'m	一至五年 1 to 5 years 港幣百萬元 HK$'m	五年以上 Over 5 years 港幣百萬元 HK$'m	不確定日期 Indefinite 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
資產	**Assets**								
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	367,448	56,425	25,217	12,134	1,857	-	-	463,081
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	4,411	17,816	4,231	3,707	2,152	428	32,745
衍生金融工具	Derivative financial instruments	15,506	3,614	6,174	8,883	12,076	6,558	-	52,811
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	189,550	-	-	-	-	-	-	189,550
貸款及其他賬項	Advances and other accounts	224,172	41,197	83,024	183,549	622,363	344,001	1,502	1,499,808
證券投資	Investment in securities								
- 以公平值變化計入其他全面收益	- At FVOCI	-	125,559	199,549	108,528	196,028	101,671	3,441	734,776
- 以攤餘成本計量	- At amortised cost	-	5,222	3,880	13,015	20,145	12,831	-	55,093
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	663	663
投資物業	Investment properties	-	-	-	-	-	-	18,740	18,740
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	46,504	46,504
其他資產（包括應收稅項及遞延稅項資產）	Other assets (including current and deferred tax assets)	32,711	15,153	463	476	116	2	1,838	50,759
資產總額	**Total assets**	829,387	251,581	336,123	330,816	856,292	467,215	73,116	3,144,530

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(B) 到期日分析（續） (B) Maturity analysis (continued)

		2020							
		即期 On demand	一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定日期 Indefinite	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	189,550	-	-	-	-	-	-	189,550
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	269,742	53,371	564	1,322	1,242	-	-	326,241
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	11,552	4,348	3,690	386	360	-	20,336
衍生金融工具	Derivative financial instruments	11,253	5,065	7,052	9,480	16,786	10,719	-	60,355
客戶存款	Deposits from customers	1,465,055	366,433	246,117	111,002	1,715	-	-	2,190,322
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	233	-	193	-	-	-	426
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	31,973	16,882	1,926	2,742	7,086	133	-	60,742
後償負債	Subordinated liabilities	-	-	-	-	-	-	-	-
負債總額	**Total liabilities**	1,967,573	453,536	260,007	128,429	27,215	11,212	-	2,847,972
流動資金缺口	Net liquidity gap	(1,138,186)	(201,955)	76,116	202,387	829,077	456,003	73,116	296,558

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(B) 到期日分析（續） (B) Maturity analysis (continued)

		2019							
		即期 On demand 港幣百萬元 HK$'m	一個月內 Up to 1 month 港幣百萬元 HK$'m	一至三個月 1 to 3 months 港幣百萬元 HK$'m	三至十二個月 3 to 12 months 港幣百萬元 HK$'m	一至五年 1 to 5 years 港幣百萬元 HK$'m	五年以上 Over 5 years 港幣百萬元 HK$'m	不確定日期 Indefinite 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
資產	**Assets**								
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	244,731	90,511	24,799	5,810	785	-	-	366,636
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	9,649	16,903	7,794	9,182	3,094	40	46,662
衍生金融工具	Derivative financial instruments	11,662	2,561	3,574	4,981	5,399	2,990	-	31,167
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	163,840	-	-	-	-	-	-	163,840
貸款及其他賬項	Advances and other accounts	210,109	47,032	58,341	167,062	619,292	309,478	1,187	1,412,501
證券投資	Investment in securities								
- 以公平值變化計入其他全面收益	- At FVOCI	-	113,573	141,875	118,179	191,726	102,304	3,288	670,945
- 以攤餘成本計量	- At amortised cost	-	2,031	4,962	9,742	38,517	13,138	-	68,390
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	619	619
投資物業	Investment properties	-	-	-	-	-	-	20,428	20,428
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	51,173	51,173
其他資產（包括應收稅項及遞延稅項資產）	Other assets (including current and deferred tax assets)	25,481	16,016	270	355	61	-	10	42,193
資產總額	**Total assets**	655,823	281,373	250,724	313,923	864,962	431,004	76,745	2,874,554

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(B) 到期日分析（續） (B) Maturity analysis (continued)

		2019							
		即期 On demand	一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定日期 Indefinite	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	163,840	-	-	-	-	-	-	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	168,004	95,857	1,271	897	1,628	-	-	267,657
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	2,843	6,049	9,202	724	388	-	19,206
衍生金融工具	Derivative financial instruments	9,576	2,517	3,051	5,184	7,549	4,956	-	32,833
客戶存款	Deposits from customers	1,110,519	463,151	295,979	139,866	4,577	-	-	2,014,092
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	116	-	-	-	-	116
其他賬項及準備（包括應付稅項及遞延稅項負債）	Other accounts and provisions (including current and deferred tax liabilities)	31,959	35,525	2,110	3,444	8,011	177	-	81,226
後償負債	Subordinated liabilities	-	-	12,954	-	-	-	-	12,954
負債總額	**Total liabilities**	1,483,898	599,893	321,530	158,593	22,489	5,521	-	2,591,924
流動資金缺口	Net liquidity gap	(828,075)	(318,520)	(70,806)	155,330	842,473	425,483	76,745	282,630

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(B) 到期日分析（續） (B) Maturity analysis (continued)

按尚餘到期日對債務證券之分析是根據合約到期日分類。所作披露不代表此等證券將持有至到期日。

The analysis of debt securities by remaining period to maturity is based on contractual maturity date. The disclosure does not imply that the securities will be held to maturity.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(C) 按合約到期日分析之未折現現金流 (C) Analysis of undiscounted cash flows by contractual maturities

(a) 非衍生工具之現金流 (a) Non-derivative cash flows

下表概述了本集團於 12 月 31 日之非衍生金融負債以剩餘合約到期日列示之現金流。

The tables below summarise the cash flows of the Group as at 31 December for non-derivative financial liabilities by remaining contractual maturity.

		2020					
		一個月內 Up to 1 month 港幣百萬元 HK$'m	**一至三個月 1 to 3 months 港幣百萬元 HK$'m**	**三至十二個月 3 to 12 months 港幣百萬元 HK$'m**	**一至五年 1 to 5 years 港幣百萬元 HK$'m**	**五年以上 Over 5 years 港幣百萬元 HK$'m**	**總計 Total 港幣百萬元 HK$'m**
金融負債	**Financial liabilities**						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	**189,550**	**-**	**-**	**-**	**-**	**189,550**
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	**323,133**	**568**	**1,342**	**1,251**	**-**	**326,294**
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	**11,552**	**4,349**	**3,698**	**409**	**342**	**20,350**
客戶存款	Deposits from customers	**1,831,558**	**246,406**	**111,827**	**1,754**	**-**	**2,191,545**
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	**233**	**-**	**194**	**-**	**-**	**427**
後償負債	Subordinated liabilities	**-**	**-**	**-**	**-**	**-**	**-**
租賃負債	Lease liabilities	**61**	**112**	**468**	**1,011**	**134**	**1,786**
其他金融負債	Other financial liabilities	**45,158**	**275**	**143**	**4**	**6**	**45,586**
金融負債總額	**Total financial liabilities**	**2,401,245**	**251,710**	**117,672**	**4,429**	**482**	**2,775,538**

		2019					
		一個月內 Up to 1 month 港幣百萬元 HK$'m	一至三個月 1 to 3 months 港幣百萬元 HK$'m	三至十二個月 3 to 12 months 港幣百萬元 HK$'m	一至五年 1 to 5 years 港幣百萬元 HK$'m	五年以上 Over 5 years 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
金融負債	**Financial liabilities**						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	163,840	-	-	-	-	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	263,879	1,275	903	1,688	-	267,745
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	2,845	6,066	9,291	777	406	19,385
客戶存款	Deposits from customers	1,574,045	297,100	141,446	4,696	-	2,017,287
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	117	-	-	-	117
後償負債	Subordinated liabilities	-	12,991	-	-	-	12,991
租賃負債	Lease liabilities	56	111	443	1,153	181	1,944
其他金融負債	Other financial liabilities	61,615	233	242	4	6	62,100
金融負債總額	**Total financial liabilities**	2,066,280	317,893	152,325	8,318	593	2,545,409

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(C) 按合約到期日分析之未折現現金流（續）

(C) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流

(b) Derivative cash flows

下表概述了本集團於 12 月 31 日以剩餘合約到期日列示之現金流，包括按淨額基準結算之衍生金融負債，及所有按總額基準結算之衍生金融工具(不論有關合約屬資產或負債)。除部分衍生工具以公平值列示外，下表披露的其他金額均為未經折現的合同現金流。

The tables below summarise the cash flows of the Group by remaining contractual maturity as at 31 December for derivative financial liabilities that will be settled on a net basis, together with all derivative financial instruments that will be settled on a gross basis regardless of whether the contract is in an asset or liability position. The amounts disclosed in the tables are the contractual undiscounted cash flows, except for certain derivatives which are disclosed at fair value.

本集團按淨額基準結算之衍生金融工具主要包括利率掉期，而按總額基準結算之衍生金融工具主要包括貨幣遠期及貨幣掉期。

The Group's derivative financial instruments that will be settled on a net basis mainly include interest rate swaps whereas derivative financial instruments that will be settled on a gross basis mainly include currency forwards and currency swaps.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(C) 按合約到期日分析之未折現現金流（續） (C) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流（續） (b) Derivative cash flows (continued)

2020

	一個月內 Up to 1 month 港幣百萬元 HK$'m	一至三個月 1 to 3 months 港幣百萬元 HK$'m	三至十二個月 3 to 12 months 港幣百萬元 HK$'m	一至五年 1 to 5 years 港幣百萬元 HK$'m	五年以上 Over 5 years 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
按淨額基準結算之衍生金融負債 Derivative financial liabilities settled on a net basis	(12,478)	(1,822)	(6,454)	(15,829)	(2,184)	(38,767)
按總額基準結算之衍生金融工具 Derivative financial instruments settled on a gross basis						
總流入 Total inflow	431,957	354,366	372,964	130,734	5,646	1,295,667
總流出 Total outflow	(433,487)	(355,490)	(373,384)	(130,260)	(5,573)	(1,298,194)

2019

	一個月內 Up to 1 month 港幣百萬元 HK$'m	一至三個月 1 to 3 months 港幣百萬元 HK$'m	三至十二個月 3 to 12 months 港幣百萬元 HK$'m	一至五年 1 to 5 years 港幣百萬元 HK$'m	五年以上 Over 5 years 港幣百萬元 HK$'m	總計 Total 港幣百萬元 HK$'m
按淨額基準結算之衍生金融負債 Derivative financial liabilities settled on a net basis	(10,065)	(736)	(2,531)	(7,443)	(1,614)	(22,389)
按總額基準結算之衍生金融工具 Derivative financial instruments settled on a gross basis						
總流入 Total inflow	593,459	436,313	687,147	119,126	964	1,837,009
總流出 Total outflow	(592,945)	(432,346)	(687,051)	(118,885)	(967)	(1,832,194)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.3 流動資金風險（續） 4.3 Liquidity risk (continued)

(C) 按合約到期日分析之未折現現金流（續）

(C) Analysis of undiscounted cash flows by contractual maturities (continued)

(c) 資產負債表外項目

(c) Off-balance sheet items

貸款承諾

Loan commitments

有關本集團於2020年12月31日向客戶承諾延長信貸及其他融資之表外金融工具，其合約金額為港幣7,092.17億元（2019年：港幣6,236.53億元），此等貸款承諾可於一年內提取。

The contractual amounts of the Group's off-balance sheet financial instruments as at 31 December 2020 that the Group commits to extend credit to customers and other facilities amounted to HK$709,217 million (2019: HK$623,653 million). Those loan commitments can be drawn within one year.

財務擔保合同

Financial guarantee contracts

本集團於2020年12月31日之財務擔保及其他財務融資金額為港幣605.32億元（2019年：港幣624.00億元），其到期日少於一年。

Financial guarantees and other financial facilities of the Group as at 31 December 2020 amounting to HK$60,532 million (2019: HK$62,400 million) are maturing no later than one year.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理 4.4 Capital management

本集團資本管理的主要目標是維持與集團整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。資產負債管理委員會定期檢討本集團資本結構，並在需要時進行調整以保持風險、回報與資本充足性的最佳平衡。

The major objective of the Group's capital management is to maximise total shareholders' return while maintaining a capital adequacy position in relation to the Group's overall risk profile. The ALCO periodically reviews the Group's capital structure and adjusts the capital mix where appropriate to maintain an optimal balance among risk, return and capital adequacy.

本集團已經建立一套有效的資本管理政策和調控機制，並且運行良好。此套機制保證集團在支持業務發展的同時，滿足法定資本充足率的要求。資產負債管理委員會負責監控集團的資本充足性。本集團在報告時段內就銀行業務符合各項金管局的法定資本規定，詳述如下：

The Group has developed and maintained a sound framework of policies and controls on capital management to support the development of the Group's business and to meet the statutory capital adequacy ratio. The ALCO monitors the Group's capital adequacy. The Group has complied with all the statutory capital requirements of the HKMA for the reported periods in respect of banking operation as further elaborated below.

本集團已採用基礎內部評級基準計算法計算大部分非證券化類別風險承擔的信貸風險資本要求。剩餘小部分信貸風險承擔按標準（信貸風險）計算法計算。本集團採用標準信貸估值調整方法，計算具有信貸估值調整風險的交易對手資本要求。

The Group has adopted the foundation internal ratings-based ("FIRB") approach to calculate the credit risk capital charge for the majority of its non-securitisation exposures. Small residual credit exposures are remained under the standardised (credit risk) ("STC") approach. The Group has adopted the standardised credit valuation adjustment ("CVA") method to calculate the capital charge for the CVA risk of the counterparty.

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

本集團繼續採用內部模式計算法計算外匯及利率的一般市場風險資本要求，並獲金管局批准豁免計算結構性外匯敞口產生的市場風險資本要求。本集團繼續採用標準（市場風險）計算法計算其餘市場風險資本要求。

The Group continues to adopt the internal models (“IMM”) approach to calculate the general market risk capital charge for foreign exchange and interest rate exposures and, with the approval from the HKMA, exclude its structural FX positions in the calculation of the market risk capital charge. The Group continues to adopt the standardised (market risk) (“STM”) approach to calculate the market risk capital charge for the remaining exposures.

本集團繼續採用標準（業務操作風險）計算法計算操作風險資本要求。

The Group continues to adopt the standardised (operational risk) (“STO”) approach to calculate the operational risk capital charge.

本集團於 2020 年繼續採用內部資本充足評估程序以符合金管局監管政策手冊「監管審查程序」內的要求。按金管局對第二支柱的指引，內部資本充足評估程序主要用以評估在第一支柱下未有涵蓋或充分涵蓋的重大風險所需的額外資本，從而設定本集團最低普通股權一級資本比率、最低一級資本比率及最低總資本比率。同時，本集團亦就前述的資本比率設定了運作區間，以支持業務發展需要及促進資本的有效運用。本集團認為內部資本充足評估程序是一個持續的資本管理過程，並會因應自身的整體風險狀況而定期重檢及按需要調整其資本結構。

The Group has continued to adopt an internal capital adequacy assessment process (“ICAAP”) to comply with the HKMA’s requirements in the Supervisory Policy Manual “Supervisory Review Process” in 2020. Based on the HKMA’s guidelines on Pillar II, ICAAP has been initiated to assess the extra capital needed to cover the material risks not captured or not adequately captured under Pillar I, and therefore minimum Common Equity Tier 1 capital ratio, minimum Tier 1 capital ratio and minimum Total capital ratio are determined. Meanwhile, operating ranges for the aforementioned capital ratios have also been established which enable the flexibility for future business growth and efficiency of capital utilisation. The Group considers this ICAAP as an on-going process for capital management and periodically reviews and adjusts its capital structure where appropriate in relation to the overall risk profile.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

此外，本集團每年制定年度資本規劃，由資產負債管理委員會審議後呈董事會批准。資本規劃從業務策略、股東回報、風險偏好、信用評級、監控要求等多維度評估對資本充足性的影響，從而預測未來資本需求及資本來源，以保障集團能維持良好的資本充足性及資本組合結構，配合業務發展，保持風險、回報與資本充足性的最佳平衡。

In addition, the capital plan of the Group is drawn up annually and then submitted to the Board for approval after endorsement of the ALCO. The plan is built up by assessing the implications of various factors upon capital adequacy such as the business strategies, return on equity, risk appetite, credit rating, as well as regulatory requirements. Hence, the future capital requirement is determined and capital sources are identified also. The plan is to ensure the Group maintains adequate capital and appropriate capital structure which align with its business development needs, thereby achieving an optimal balance among risk, return and capital adequacy.

(A) 監管綜合基礎 (A) Basis of regulatory consolidation

監管規定的綜合基礎乃根據《銀行業（資本）規則》由中銀香港及其部分金管局指定之附屬公司組成。在會計處理方面，則按照香港財務報告準則綜合附屬公司，其名單載於「附錄－本銀行之附屬公司」。

The consolidation basis for regulatory purposes comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules. For accounting purposes, subsidiaries are consolidated in accordance with HKFRSs and the list of subsidiaries is set out in “Appendix – Subsidiaries of the Bank”.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(A) 監管綜合基礎（續） (A) Basis of regulatory consolidation (continued)

包括在會計準則綜合範圍，而不包括在監管規定綜合範圍內的附屬公司之詳情如下：

The particulars of subsidiaries which are included within the accounting scope of consolidation but not included within the regulatory scope of consolidation are as follows:

名稱	Name	**2020** 資產總額 Total assets 港幣百萬元 HK$'m	**2020** 資本總額 Total equity 港幣百萬元 HK$'m	2019 資產總額 Total assets 港幣百萬元 HK$'m	2019 資本總額 Total equity 港幣百萬元 HK$'m
中銀集團信託人有限公司	BOC Group Trustee Company Limited	**200**	**200**	200	200
中銀國際英國保誠信託有限公司	BOCI-Prudential Trustee Limited	**553**	**498**	612	483
China Bridge (Malaysia) Sdn. Bhd.	China Bridge (Malaysia) Sdn. Bhd.	**13**	**9**	56	36
中國銀行（香港）代理人有限公司	Bank of China (Hong Kong) Nominees Limited	**-**	**-**	-	-
中國銀行（香港）信託有限公司	Bank of China (Hong Kong) Trustees Limited	**11**	**11**	12	11
中銀金融服務（南寧）有限公司	BOC Financial Services (Nanning) Company Limited	**248**	**43**	173	42
中銀信息科技（深圳）有限公司	BOCHK Information Technology (Shenzhen) Co., Ltd.	**387**	**265**	401	255
中銀信息技術服務（深圳）有限公司	BOCHK Information Technology Services (Shenzhen) Co., Ltd.	**421**	**360**	418	348
浙興（代理人）有限公司	Che Hsing (Nominees) Limited	**-**	**-**	1	1
寶生金融投資服務有限公司	Po Sang Financial Investment Services Company Limited	**364**	**345**	364	345
寶生證券及期貨有限公司	Po Sang Securities and Futures Limited	**952**	**375**	664	373
新僑企業有限公司*	Sin Chiao Enterprises Corporation, Limited*	**N/A**	**N/A**	6	6
新華信託有限公司	Sin Hua Trustee Limited	**5**	**5**	5	5
Billion Express Development Inc.	Billion Express Development Inc.	**-**	**-**	-	-
Billion Orient Holdings Ltd.	Billion Orient Holdings Ltd.	**-**	**-**	-	-
Elite Bond Investments Ltd.	Elite Bond Investments Ltd.	**-**	**-**	-	-
Express Capital Enterprise Inc.	Express Capital Enterprise Inc.	**-**	**-**	-	-

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(A) 監管綜合基礎（續） (A) Basis of regulatory consolidation (continued)

名稱	Name	2020 資產總額 Total assets 港幣百萬元 HK$'m	2020 資本總額 Total equity 港幣百萬元 HK$'m	2019 資產總額 Total assets 港幣百萬元 HK$'m	2019 資本總額 Total equity 港幣百萬元 HK$'m
Express Charm Holdings Corp.	Express Charm Holdings Corp.	-	-	-	-
Express Shine Assets Holdings Corp.	Express Shine Assets Holdings Corp.	-	-	-	-
Express Talent Investment Ltd.	Express Talent Investment Ltd.	-	-	-	-
Gold Medal Capital Inc.	Gold Medal Capital Inc.	-	-	-	-
Gold Tap Enterprises Inc.	Gold Tap Enterprises Inc.	-	-	-	-
Maxi Success Holdings Ltd.	Maxi Success Holdings Ltd.	-	-	-	-
Smart Linkage Holdings Inc.	Smart Linkage Holdings Inc.	-	-	-	-
Smart Union Capital Investments Ltd.	Smart Union Capital Investments Ltd.	-	-	-	-
Success Trend Development Ltd.	Success Trend Development Ltd.	-	-	-	-
Wise Key Enterprises Corp.	Wise Key Enterprises Corp.	-	-	-	-

*新僑企業有限公司已於2020年12月28日正式解散。

*Sin Chiao Enterprises Corporation, Limited was dissolved on 28 December 2020.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(A) 監管綜合基礎（續） (A) Basis of regulatory consolidation (continued)

以上附屬公司的主要業務載於「附錄－本銀行之附屬公司」。

The principal activities of the above subsidiaries are set out in "Appendix – Subsidiaries of the Bank".

於2020年12月31日，並無任何附屬公司只包括在監管規定綜合範圍，而不包括在會計準則綜合範圍（2019年：無）。

There were no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation as at 31 December 2020 (2019: Nil).

於2020年12月31日，亦無任何附屬公司同時包括在會計準則和監管規定綜合範圍而使用不同綜合方法（2019年：無）。

There were also no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation where the methods of consolidation differ as at 31 December 2020 (2019: Nil).

本集團在不同國家／地區經營附屬公司，這些公司的資本須受當地規則監管，而本集團成員公司之間相互轉讓資金或監管資本，亦可能受到限制。

The Group operates subsidiaries in different countries/regions where capital is governed by local rules and there may be restrictions on the transfer of funds or regulatory capital between the members of the Group.

(B) 資本比率 (B) Capital ratio

資本比率分析如下：

The capital ratios are analysed as follows:

		2020	2019
普通股權一級資本比率	CET1 capital ratio	**17.75%**	17.76%
一級資本比率	Tier 1 capital ratio	**19.67%**	19.90%
總資本比率	Total capital ratio	**22.10%**	22.89%

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(B) 資本比率（續） (B) Capital ratio (continued)

用於計算以上資本比率之扣減後的綜合資本基礎分析如下：

The consolidated capital base after deductions used in the calculation of the above capital ratios is analysed as follows:

		2020 **港幣百萬元** **HK$'m**	2019 港幣百萬元 HK$'m
普通股權一級(CET1)資本：票據及儲備	CET1 capital: instruments and reserves		
直接發行的合資格 CET1 資本票據	Directly issued qualifying CET1 capital instruments	**43,043**	43,043
保留溢利	Retained earnings	**184,230**	164,113
已披露儲備	Disclosed reserves	**45,100**	51,309
監管扣減之前的 CET1 資本	CET1 capital before regulatory deductions	**272,373**	258,465
CET1 資本：監管扣減	CET1 capital: regulatory deductions		
估值調整	Valuation adjustments	**(24)**	(65)
其他無形資產（已扣除相聯的遞延稅項負債）	Other intangible assets (net of associated deferred tax liabilities)	**(1,502)**	-
遞延稅項資產（已扣除相聯的遞延稅項負債）	Deferred tax assets (net of associated deferred tax liabilities)	**(91)**	(62)
按公平價值估值的負債因本身的信用風險變動所產生的損益	Gains and losses due to changes in own credit risk on fair valued liabilities	**(21)**	237
因土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	**(49,413)**	(52,459)
一般銀行業務風險監管儲備	Regulatory reserve for general banking risks	**(4,780)**	(11,077)
對 CET1 資本的監管扣減總額	Total regulatory deductions to CET1 capital	**(55,831)**	(63,426)
CET1 資本	CET1 capital	**216,542**	195,039
AT1 資本：票據	AT1 capital: instruments		
合資格 AT1 資本票據根據適用會計準則列為股本類別	Qualifying AT1 capital instruments classified as equity under applicable accounting standards	**23,476**	23,476
AT1 資本	AT1 capital	**23,476**	23,476
一級資本	Tier 1 capital	**240,018**	218,515

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(B) 資本比率（續） (B) Capital ratio (continued)

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
二級資本：票據及準備金	Tier 2 capital: instruments and provisions		
須從二級資本逐步遞減的資本票據	Capital instruments subject to phase-out arrangements from Tier 2 capital	**-**	2,505
合資格計入二級資本的集體準備金及一般銀行業務風險監管儲備	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	**7,322**	6,743
監管扣減之前的二級資本	Tier 2 capital before regulatory deductions	**7,322**	9,248
二級資本：監管扣減	Tier 2 capital: regulatory deductions		
加回合資格計入二級資本的因土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	**22,236**	23,607
對二級資本的監管扣減總額	Total regulatory adjustments to Tier 2 capital	**22,236**	23,607
二級資本	Tier 2 capital	**29,558**	32,855
監管資本總額	Total regulatory capital	**269,576**	251,370

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理（續） 4. Financial risk management (continued)

4.4 資本管理（續） 4.4 Capital management (continued)

(B) 資本比率（續） (B) Capital ratio (continued)

緩衝資本比率分析如下： The capital buffer ratios are analysed as follows:

		2020	2019
防護緩衝資本比率	Capital conservation buffer ratio	**2.500%**	2.500%
較高吸收虧損能力比率	Higher loss absorbency ratio	**1.500%**	1.500%
逆周期緩衝資本比率	Countercyclical capital buffer ratio	**0.790%**	1.552%

有關資本比率披露的補充資料可於中銀香港網頁www.bochk.com中「監管披露」一節瀏覽。

The additional information of capital ratio disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

(C) 槓桿比率 (C) Leverage ratio

槓桿比率分析如下： The leverage ratio is analysed as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
一級資本	Tier 1 capital	**240,018**	218,515
槓桿比率風險承擔	Leverage ratio exposure	**3,036,425**	2,799,606
槓桿比率	Leverage ratio	**7.90%**	7.81%

有關槓桿比率披露的補充資料可於中銀香港網頁www.bochk.com中「監管披露」一節瀏覽。

The additional information of leverage ratio disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值 5. Fair values of assets and liabilities

所有以公平值計量或在財務報表內披露的資產及負債，均按香港財務報告準則第13號「公平值計量」的定義，於公平值層級表內分類。該等分類乃參照估值方法所採用的因素之可觀察性及重大性，並基於對整體公平值計量有重大影響之最低層級因素來釐定：

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as defined in HKFRS 13, “Fair value measurement”. The categorisation are determined with reference to the observability and significance of the inputs used in the valuation methods and based on the lowest level input that is significant to the fair value measurement as a whole:

- 第一層級：相同資產或負債在活躍市場中的報價（未經調整）。此層級包括在交易所上市的股份證券、部分政府發行的債務工具及若干場內交易的衍生工具合約。

- Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities. This category includes equity securities listed on exchange, debt instruments issued by certain governments and certain exchange-traded derivative contracts.

- 第二層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）可被直接或間接地觀察。此層級包括大部分場外交易的衍生工具合約、從估值服務供應商獲取價格的債務證券及存款證、發行的結構性存款，以及其他債務工具。同時亦包括對可觀察的市場因素進行了不重大調整或校準的若干外匯合約、貴金屬及物業。

- Level 2: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly. This category includes majority of the OTC derivative contracts, debt securities and certificates of deposit with quote from pricing services vendors, issued structured deposits and other debt instruments. It also includes certain foreign exchange contracts, precious metals and properties with insignificant adjustments or calibrations made to observable market inputs.

- 第三層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）屬不可被觀察。此層級包括有重大不可觀察因素的股份投資、債務工具及若干場外交易的衍生工具合約。同時亦包括對可觀察的市場因素進行了重大調整的物業。

- Level 3: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This category includes equity investment, debt instruments and certain OTC derivative contracts with significant unobservable components. It also includes properties with significant adjustments made to observable market inputs.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

對於以重複基準確認於財務報表的資產及負債，本集團會於每一財務報告週期的結算日重新評估其分類（基於對整體公平值計量有重大影響之最低層級因素），以確定有否在公平值層級之間發生轉移。

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

5.1 以公平值計量的金融工具 5.1 Financial instruments measured at fair value

本集團建立了完善的公平值管治及控制架構，公平值數據由獨立於前線的控制單位確定或核實。各控制單位負責獨立核實前線業務之估值結果及重大公平值數據。其他特定控制程序包括核實可觀察的估值參數、審核新的估值模型及任何模型改動、根據可觀察的市場交易價格校準及回顧測試所採用的估值模型、深入分析日常重大估值變動、評估重大不可觀察估值參數及估值調整。重大估值事項將向高層管理人員、風險委員會及審計委員會匯報。

The Group has an established governance structure and controls framework to ensure that fair values are either determined or validated by control units independent of the front offices. Control units have overall responsibility for independent verification of valuation results from front line businesses and all other significant fair value measurements. Other specific controls include verification of observable pricing inputs; review and approval for new models and changes to models; calibration and back-testing of models against observed market transactions; analysis and investigation of significant daily valuation movements; review of significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to senior management, Risk Committee and Audit Committee.

一般而言，金融工具以單一工具為計量基礎。香港財務報告準則第 13 號允許在滿足特定條件的前提下，可以選用會計政策以同一投資組合下的金融資產及金融負債的淨敞口作為公平值的計量基礎。本集團的估值調整以單一工具為基礎，與金融工具的計量基礎一致。根據衍生金融工具的風險管理政策及系統，一些滿足特定條件的組合的公平值是按其淨風險敞口所獲得或支付的價格計量。組合層面的估值調整會以淨風險敞口佔比分配到單一資產或負債。

Generally, the unit of account for a financial instrument is the individual instrument. HKFRS 13 permits a portfolio exception, through an accounting policy election, to measure the fair value of a portfolio of financial assets and financial liabilities on the basis of the net open risk position when certain criteria are met. The Group applies valuation adjustments at an individual instrument level, consistent with that unit of account. According to its risk management policies and systems to manage derivative financial instruments, the fair value of certain derivative portfolios that meet those criteria is measured on the basis of the price to be received or paid for net open risk. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of its relative net risk exposure to the portfolio.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

當無法從公開市場獲取報價時，本集團通過一些估值技術或經紀／交易商之詢價來確定金融工具的公平值。

The Group uses valuation techniques or broker/dealer quotations to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

對於本集團所持有的金融工具，其估值技術使用的主要參數包括債券價格、利率、匯率、權益及股票價格、商品價格、波幅及相關系數、交易對手信貸利差及其他等，主要為可從公開市場觀察及獲取的參數。

The main parameters used in valuation techniques for financial instruments held by the Group include bond prices, interest rates, foreign exchange rates, equity and stock prices, commodity prices, volatilities and correlations, counterparty credit spreads and others, which are mostly observable and obtainable from open market.

用以釐定以下金融工具公平值的估值方法如下：

The technique used to calculate the fair value of the following financial instruments is as below:

<u>債務證券及存款證及其他債務工具</u>

此類工具的公平值由交易所、交易商或外間獨立估值服務供應商提供的市場報價或使用貼現現金流模型分析而決定。貼現現金流模型是一個利用預計未來現金流，以一個可反映市場上相類似風險的工具所需信貸息差之貼現率或貼現差額計量而成現值的估值技術。這些參數是市場上可觀察或由可觀察或不可觀察的市場數據證實。

<u>Debt securities and certificates of deposit and other debt instruments</u>

The fair value of these instruments is determined by obtaining quoted market prices from exchange, dealer or independent pricing service vendors or using discounted cash flow technique. Discounted cash flow model is a valuation technique that measures present value using estimated expected future cash flows from the instruments and then discounts these flows using a discount rate or discount margin that reflects the credit spreads required by the market for instruments with similar risk. These inputs are observable or can be corroborated by observable or unobservable market data.

<u>資產抵押債券</u>

這類工具由外間獨立第三者提供報價。有關的估值視乎交易性質以市場標準的現金流模型及估值參數（包括可觀察或由近似發行的價格矩陣編輯而成的貼現率差價、違約及收回率、及提前預付率）估算。

<u>Asset backed securities</u>

For this class of instruments, external prices are obtained from independent third parties. The valuation of these securities, depending on the nature of transaction, is estimated from market standard cash flow models with input parameter which include spreads to discount rates, default and recovery rates and prepayment rates that may be observable or compiled through matrix pricing for similar issues.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

衍生工具

場外交易的衍生工具合約包括外匯、利率、股票、商品或信貸的遠期、掉期及期權合約。衍生工具合約的公平值主要由貼現現金流模型及期權計價模型等估值技術釐定。所使用的參數為可觀察或不可觀察市場數據。可觀察的參數包括利率、匯率、權益及股票價格、商品價格、信貸違約掉期利差、波幅及相關系數。不可觀察的參數可用於嵌藏於結構性存款中非交易頻繁的期權類產品。對一些複雜的衍生工具合約，公平值將按經紀／交易商之報價為基礎。

Derivatives

OTC derivative contracts include forward, swap and option contracts on foreign exchange, interest rate, equity, commodity or credit. The fair values of these contracts are mainly measured using valuation techniques such as discounted cash flow models and option pricing models. The inputs can be observable or unobservable market data. Observable inputs include interest rate, foreign exchange rates, equity and stock prices, commodity prices, credit default swap spreads, volatilities and correlations. Unobservable inputs may be used for less commonly traded option products which are embedded in structured deposits. For certain complex derivative contracts, the fair values are determined based on broker/dealer price quotations.

本集團對場外交易的衍生工具作出了信貸估值調整及債務估值調整。調整分別反映對市場因素變化、交易對手信譽及本集團自身信貸息差的期望。有關調整主要是按每一交易對手，以未來預期敞口、違約率及收回率釐定。

Credit valuation adjustments (“CVAs”) and debit valuation adjustments (“DVAs”) are applied to the Group’s OTC derivatives. These adjustments reflect market factors movement, expectations of counterparty creditworthiness and the Group’s own credit spread respectively. They are mainly determined for each counterparty and are dependent on expected future values of exposures, default probabilities and recovery rates.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

後償負債

後償票據之公平值是按市場價格或經紀／交易商之報價為基礎。後償票據之自身信貸調整計算為市值與利用最新基準利率及估值計量期初的自身信貸利差匡算的淨現值之差。

Subordinated liabilities

Fair value for subordinated notes is based on market prices or broker/dealer price quotations. Own credit adjustment for subordinated notes is calculated as the difference between the market value and the net present value calculated by the latest benchmark interest rate and own credit spreads of the subordinated notes determined on the beginning of measurement period.

(A) 公平值的等級 (A) Fair value hierarchy

		2020			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融資產	**Financial assets**				
交易性資產（附註 21）	Trading assets (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	**-**	**26,817**	**-**	**26,817**
- 股份證券	- Equity securities	**49**	**-**	**-**	**49**
- 其他債務工具	- Other debt instruments	**-**	**3,300**	**-**	**3,300**
其他強制分類為以公平值變化計入損益之金融資產（附註 21）	Other financial assets mandatorily classified at fair value through profit or loss (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	**-**	**1,154**	**-**	**1,154**
- 股份證券	- Equity securities	**-**	**-**	**-**	**-**
界定為以公平值變化計入損益之金融資產（附註 21）	Financial assets designated at fair value through profit or loss (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	**720**	**587**	**-**	**1,307**
- 其他債務工具	- Other debt instruments	**-**	**118**	**-**	**118**
衍生金融工具（附註 22）	Derivative financial instruments (Note 22)	**8**	**52,803**	**-**	**52,811**
以公平值變化計入其他全面收益之證券投資（附註 24）	Investment in securities at FVOCI (Note 24)				
- 債務證券及存款證	- Debt securities and certificates of deposit	**258,400**	**472,935**	**-**	**731,335**
- 股份證券	- Equity securities	**-**	**1,074**	**2,367**	**3,441**

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(A) 公平值的等級（續） (A) Fair value hierarchy (continued)

		2020			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融負債	**Financial liabilities**				
以公平值變化計入損益之金融負債（附註 30）	Financial liabilities at fair value through profit or loss (Note 30)				
- 交易性負債	- Trading liabilities	-	20,336	-	20,336
衍生金融工具（附註 22）	Derivative financial instruments (Note 22)	29	60,326	-	60,355
後償負債（附註 35）	Subordinated liabilities (Note 35)				
- 後償票據	- Subordinated notes	-	-	-	-

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(A) 公平值的等級（續） (A) Fair value hierarchy (continued)

		2019			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融資產	**Financial assets**				
交易性資產（附註 21）	Trading assets (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	133	37,457	-	37,590
- 股份證券	- Equity securities	37	-	-	37
- 其他債務工具	- Other debt instruments	-	5,297	-	5,297
其他強制分類為以公平值變化計入損益之金融資產（附註 21）	Other financial assets mandatorily classified at fair value through profit or loss (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	-	744	-	744
- 股份證券	- Equity securities	3	-	-	3
界定為以公平值變化計入損益之金融資產（附註 21）	Financial assets designated at fair value through profit or loss (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	708	2,283	-	2,991
- 其他債務工具	- Other debt instruments	-	-	-	-
衍生金融工具（附註 22）	Derivative financial instruments (Note 22)	11,673	19,483	11	31,167
以公平值變化計入其他全面收益之證券投資（附註 24）	Investment in securities at FVOCI (Note 24)				
- 債務證券及存款證	- Debt securities and certificates of deposit	197,156	470,501	-	667,657
- 股份證券	- Equity securities	-	1,134	2,154	3,288

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(A) 公平值的等級（續） (A) Fair value hierarchy (continued)

		2019			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融負債	**Financial liabilities**				
以公平值變化計入損益之金融負債（附註 30）	Financial liabilities at fair value through profit or loss (Note 30)				
- 交易性負債	- Trading liabilities	-	19,206	-	19,206
衍生金融工具（附註 22）	Derivative financial instruments (Note 22)	9,687	23,146	-	32,833
後償負債（附註 35）	Subordinated liabilities (Note 35)				
- 後償票據	- Subordinated notes	-	12,954	-	12,954

由於本集團對若干金融工具之市場可觀察因素進行了校準，於 2020 年內將港幣 154.98 億元之衍生金融資產及港幣 112.27 億元之衍生金融負債由第一層級轉移至第二層級。相關校準對有關金融工具公平值計量影響不重大。本集團之其他金融資產及負債於年內均沒有第一層級及第二層級之間的重大轉移（2019 年：無）。

There were transfers of derivative financial assets of HK$15,498 million and derivative financial liabilities of HK$11,227 million from level 1 to level 2 for the Group during 2020 as a result of calibrations of market observable inputs on certain financial instruments. The impact arising from such calibrations was insignificant to the fair value measurement of the relevant financial instruments. There were no other significant financial asset and liability transfers between level 1 and level 2 for the Group during the year (2019: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (B) Reconciliation of level 3 items

		2020 金融資產 Financial assets 衍生金融工具 Derivative financial instruments 港幣百萬元 HK$'m	2020 金融資產 Financial assets 以公平值變化計入其他全面收益之證券投資 Investment in securities at FVOCI 股份證券 Equity securities 港幣百萬元 HK$'m
於2020年1月1日	At 1 January 2020	11	2,154
收益	Gains		
- 收益表	- Income statement		
- 淨交易性收益	- Net trading gain	146	-
- 其他全面收益	- Other comprehensive income		
- 公平值變化	- Change in fair value	-	213
增置	Additions	-	-
轉出第三層級	Transfer out of level 3	(157)	-
於2020年12月31日	At 31 December 2020	-	2,367
於2020年12月31日持有的金融資產於年內計入收益表的未實現收益總額	Total unrealised gains for the year included in income statement for financial assets held as at 31 December 2020		
- 淨交易性收益	- Net trading gain	-	-

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動（續） (B) Reconciliation of level 3 items (continued)

		2019	
		金融資產 Financial assets	
		衍生金融工具 Derivative financial instruments	以公平值變化計入其他全面收益之證券投資 Investment in securities at FVOCI 股份證券 Equity securities
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	7	1,144
收益	Gains		
- 收益表	- Income statement		
- 淨交易性收益	- Net trading gain	11	-
- 其他全面收益	- Other comprehensive income		
- 公平值變化	- Change in fair value	-	446
增置	Additions	-	564
轉出第三層級	Transfer out of level 3	(7)	-
於 2019 年 12 月 31 日	At 31 December 2019	11	2,154
於 2019 年 12 月 31 日持有的金融資產於年內計入收益表的未實現收益總額	Total unrealised gains for the year included in income statement for financial assets held as at 31 December 2019		
- 淨交易性收益	- Net trading gain	11	-

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動（續） (B) Reconciliation of level 3 items (continued)

於 2020 年 12 月 31 日及 2019 年 12 月 31 日，分類為第三層級的金融工具主要包括非上市股權及若干場外交易的衍生工具合約。

As at 31 December 2020 and 2019, financial instruments categorised as level 3 are mainly comprised of unlisted equity shares and certain OTC derivative contracts.

對於若干場外交易的衍生工具合約，其交易對手信貸利差為不可觀察參數並對其估值有重大影響。因此本集團將這些金融工具劃分至第三層級。於2020年及2019年轉出第三層級乃因估值可觀察性改變。本集團已建立相關內部控制程序監控集團對此類金融工具的敞口。

For certain OTC derivative contracts, the counterparty credit spreads used in valuation techniques are unobservable inputs with significant impact on valuation. Therefore, these instruments have been classified by the Group as level 3. Transfers out of level 3 during 2020 and 2019 were due to change of valuation observability. The Group has established internal control procedures to control the Group’s exposure to such financial instruments.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.1 以公平值計量的金融工具（續） 5.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動（續） (B) Reconciliation of level 3 items (continued)

以公平值變化計入其他全面收益之非上市股權的公平值乃參考 (i) 最新市場成交價；或 (ii) 可供比較的上市公司之平均市價／銷售額倍數；或 (iii) 該股權投資之股息貼現模型計算結果；或 (iv) 若沒有合適可供比較的公司或沒有適用的股息貼現模型，則按其資產淨值釐定。公平值與市場成交價、適合採用之可比較市價／銷售額倍數比率、預估未來派發的股息流或資產淨值存在正向關係，並與可供比較的上市公司之平均市價／銷售額倍數或股息貼現模型採用的貼現率成反向關係。

The fair values of unlisted FVOCI equity shares are determined with reference to (i) latest market transaction price; or (ii) multiples of comparable listed companies, such as average of the price/sales ratios of comparables; or (iii) dividend discount model calculation of the underlying equity investments; or (iv) net asset value, if neither appropriate comparables nor dividend discount model calculation is available or applicable. The fair value is positively correlated to the market transaction price, price/sales ratios of appropriate comparables, forecasted stream of future dividend payout or net asset values, and is negatively correlated to the discount rate used in the average of price/sales ratios of comparables or dividend discount model.

若所有估值技術中所應用的重大不可觀察因素發生 5%有利變化／不利變化（2019 年：5%），則本集團之其他全面收益將分別增加港幣 0.55 億元或減少港幣 0.54 億元（2019 年：增加港幣 0.98 億元或減少港幣 0.93 億元）。

Had all of the significant unobservable inputs applied on the valuation techniques favourably changed/unfavourably changed by 5% (2019: 5%), the Group’s other comprehensive income would have increased/decreased by HK$55 million and HK$54 million, respectively (2019: HK$98 million and HK$93 million, respectively).

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.2 非以公平值計量的金融工具 5.2 Financial instruments not measured at fair value

公平值是以在一特定時點按相關市場資料及不同金融工具之資料來評估。以下之方法及假設已按實際情況應用於評估各類金融工具之公平值。

Fair value estimates are made at a specific point in time based on relevant market information and information about various financial instruments. The following methods and assumptions have been used to estimate the fair value of each class of financial instrument as far as practicable.

<u>存放／尚欠銀行及其他金融機構之結餘及貿易票據</u>

<u>Balances with/from banks and other financial institutions and trade bills</u>

大部分之金融資產及負債將於結算日後一年內到期，其賬面值與公平值相若。

Substantially all the financial assets and liabilities mature within one year from the balance sheet date and their carrying value approximates fair value.

<u>客戶貸款及銀行及其他金融機構貸款</u>

<u>Advances to customers and banks and other financial institutions</u>

大部分之客戶貸款及銀行及其他金融機構貸款是浮動利率，按市場息率計算利息，其賬面值與公平值相若。

Substantially all the advances to customers and banks and other financial institutions are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

<u>以攤餘成本計量之證券投資</u>

<u>Investment in securities at amortised cost</u>

以攤餘成本計量之證券之公平值釐定與附註 5.1 內以公平值計量的債務證券及存款證和資產抵押債券採用之方法相同。除此之外，若干以攤餘成本計量之證券採用以現時收益率曲線相對應剩餘限期之利率為基礎的貼現現金流模型計算。

The fair value of securities at amortised cost is determined by using the same approach as those debt securities and certificates of deposit and asset backed securities measured at fair value as described in Note 5.1. Besides, a discounted cash flow model is used for certain securities at amortised cost based on a current yield curve appropriate for the remaining term to maturity.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.2 非以公平值計量的金融工具（續） 5.2 Financial instruments not measured at fair value (continued)

<u>客戶存款</u>
大部分之客戶存款將於結算日後一年內到期，其賬面值與公平值相若。

<u>Deposits from customers</u>
Substantially all the deposits from customers mature within one year from the balance sheet date and their carrying value approximates fair value.

<u>已發行債務證券及存款證</u>
此類工具之公平值釐定與附註 5.1 內以公平值計量的債務證券及存款證採用之方法相同。

<u>Debt securities and certificates of deposit in issue</u>

The fair value of these instruments is determined by using the same approach as those debt securities and certificates of deposit measured at fair value as described in Note 5.1.

除以上其賬面值與公平值相若的金融工具外，下表為非以公平值計量的金融工具之賬面值和公平值。

The following tables set out the carrying values and fair values of the financial instruments not measured at fair value, except for the above with their carrying values being approximation of fair values.

		2020		2019	
		賬面值 Carrying value	**公平值 Fair value**	賬面值 Carrying value	公平值 Fair value
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融資產	**Financial assets**				
以攤餘成本計量之證券投資（附註 24）	Investment in securities at amortised cost (Note 24)	**55,093**	**56,097**	68,390	68,883
金融負債	**Financial liabilities**				
已發行債務證券及存款證（附註 32）	Debt securities and certificates of deposit in issue (Note 32)	**426**	**426**	116	116

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.2 非以公平值計量的金融工具（續） 5.2 Financial instruments not measured at fair value (continued)

下表列示已披露其公平值的金融工具之公平值等級。

The following tables show the fair value hierarchy for financial instruments with fair values disclosed.

		2020			
		第一層級 Level 1	**第二層級 Level 2**	**第三層級 Level 3**	**總計 Total**
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**
金融資產	**Financial assets**				
以攤餘成本計量之證券投資	Investment in securities at amortised cost	**957**	**54,752**	**388**	**56,097**
金融負債	**Financial liabilities**				
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	**-**	**426**	**-**	**426**

		2019			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
金融資產	**Financial assets**				
以攤餘成本計量之證券投資	Investment in securities at amortised cost	1,002	67,099	782	68,883
金融負債	**Financial liabilities**				
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	116	-	116

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具 5.3 Non-financial instruments measured at fair value

本集團通過一些估值技術或活躍市場報價來確定非金融工具的公平值。

The Group uses valuation techniques or quoted market prices in active market to determine the fair value of non-financial instruments.

投資物業及房產

本集團之物業可分為投資物業及房產。所有本集團之投資物業及房產已於年底進行重估。本年之估值由獨立特許測量師萊坊測量師行有限公司進行，其擁有具備香港測量師學會資深專業會員及專業會員資格之人員，並在估值物業所處地區及種類上擁有經驗。當估值於每半年末及年末進行時，本集團管理層會跟測量師討論估值方法、估值假設及估值結果。除一個於年內開展的投資物業重建項目採用剩餘估值法外，估值方法於年內沒有改變，亦與去年一致。

Investment properties and premises

The Group's properties can be divided into investment properties and premises. All of the Group's investment properties and premises were revalued as at year end. This year, the valuations were carried out by an independent firm of chartered surveyors, Knight Frank Petty Limited, who have among their staff Fellow and Members of The Hong Kong Institute of Surveyors with recent experience in the locations and categories of properties being valued. The Group's Management had discussions with the surveyors on the valuation methods, valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date. Except for a site redevelopment of investment property that has been commenced during the year using the residual approach valuation, there has been no change in valuation methods during the year and the methods used are consistent with last year.

(i) 第二層級公平值計量採用的估值方法及因素

(i) Valuation methods and inputs used in Level 2 fair value measurements

被分類為第二層級之物業的公平值，乃參考可比較物業之近期出售成交價（市場比較法）或參考市場租金及資本化率（收入資本法），再對可比較物業及被評估物業之間的差異作出適當調整。此等調整被認為對整體計量並不構成重大影響。

The fair value of properties classified as Level 2 is determined using either the market comparison approach by reference to recent sales price of comparable properties or the income capitalisation approach by reference to market rent and capitalisation rate, with appropriate adjustments to reflect the differences between the comparable properties and the subject properties. These adjustments are considered as insignificant to the entire measurement.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

投資物業及房產（續）

Investment properties and premises (continued)

(i) 第二層級公平值計量採用的估值方法及因素（續）

(i) Valuation methods and inputs used in Level 2 fair value measurements (continued)

本集團之物業均位於香港、若干內地、泰國及馬來西亞之主要城市，被認為是活躍及透明的物業市場。可比較物業之出售價、市場租金及資本化率一般均可在此等市場上被直接或間接觀察得到。

The Group's properties are located in Hong Kong, certain major cities in the mainland, Thailand and Malaysia where the property markets are considered active and transparent. Sales price, market rent and capitalisation rate of comparable properties are generally observable either directly or indirectly in these markets.

(ii)有關第三層級公平值計量的資料

(ii) Information about Level 3 fair value measurements

除銀行金庫外，被分類為第三層級的本集團物業之公平值均採用市場比較法或收入資本法，再按本集團物業相對於可比較物業之性質作折溢價調整來釐定。

The fair value of all of the Group's properties classified as Level 3, except for the bank vault, is determined using either the market comparison approach or the income capitalisation approach, adjusted for a premium or a discount specific to the features of the Group's properties compared to the comparable properties.

由於銀行金庫之獨特性質，並無市場交易實例可資比較，其公平值乃採用折舊重置成本法釐定。主要的因素為現時土地的市值、重置該建築物的現時成本及折舊率，並作適當的調整以反映物業的獨特性質。

The fair value of the bank vault is determined using the depreciated replacement cost approach as no direct comparable is available given the specialised nature of the property. The major inputs are the market value of the existing land, the current cost of replacing the property and the depreciation rate. Appropriate adjustments are made to reflect the specialised nature of the property.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

投資物業及房產（續）

Investment properties and premises (continued)

(ii) 有關第三層級公平值計量的資料（續）

(ii) Information about Level 3 fair value measurements (continued)

以下為在公平值計量時對被分類為第三層級之本集團物業所採用的估值方法及重大不可觀察因素：

The valuation methods and significant unobservable inputs used in the fair value measurement of the Group's properties classified as Level 3 are as follows:

	估值方法 **Valuation method**	重大不可觀察因素 **Significant unobservable inputs**	加權平均 **Weighted average**	不可觀察因素與公平值的關係 **Relationship of unobservable inputs to fair value**
銀行金庫 Bank vault	折舊重置成本法 Depreciated replacement cost approach	折舊率 Depreciation rate	每年2% （2019年：2%） 2% (2019: 2%) per year	折舊率愈高，公平值愈低。 The higher the depreciation rate, the lower the fair value.
		物業獨特性質之溢價 Premium on specialised nature of the property	建築成本+15% （2019年：+15%） +15% (2019: +15%) to building cost	溢價愈高，公平值愈高。 The higher the premium, the higher the fair value.
其他物業 Other properties	市場比較法或收入資本法 Market comparison approach or income capitalisation approach	物業相對可比較物業在性質上之溢價／（折價） Premium/(discount) on features of the property compared to comparable properties	-8% (2019: -11%)	溢價愈高，公平值愈高。 The higher the premium, the higher the fair value. 折價愈高，公平值愈低。 The higher the discount, the lower the fair value.

物業相對可比較物業在性質上之溢價／（折價）乃參考與可比較物業在不同因素上的差異，例如成交後之市場變動、位置、便達性、樓齡／狀況、樓層、面積、佈局等而釐定。

Premium/(discount) on features of a property is determined after taken into account various factors, such as time for market movement, location, accessibility, building age/condition, floor level, size, layout, etc., with reference to the differences in features with comparable properties.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

投資物業及房產（續）

Investment properties and premises (continued)

(ii)有關第三層級公平值計量的資料（續）

(ii) Information about Level 3 fair value measurements (continued)

對於已有重建計劃的投資物業之公平值，會按採用剩餘估值法的重建基準來計量其價值。剩餘估值法一般是用於土地發展的估值方法。首先會按市場比較法來釐定重建項目的總發展價值。市場比較法是參考近期成交的可比物業的成交價，並按可比物業與集團發展項目的質素差異來作折溢價調整。最終得出的公平值乃總發展價值的現值於扣除發展成本（包括專業費用、拆卸成本、建築成本等）及發展利潤的現值後所剩餘的價值。總發展價值愈高，公平值會愈高；發展成本及折現率愈高，公平值會愈低。

For the fair value of the investment property with a redevelopment plan, it is measured on a redevelopment basis by adopting residual approach which is a valuation method generally used to value development of lands. Gross Development Value (“GDV”) is first determined using market comparison approach by reference to recent transactions of comparable properties and adjusted for a premium or a discount specific to the quality of the Group’s development compared to the comparable properties. The ultimate fair value of the redevelopment is the residual value after deducting the present value of the development costs (including professional fees, demolition cost, constructions cost etc.) and developer’s profit from the present value of the GDV. The higher the GDV, the higher the fair value; the higher the development costs and the discount rate, the lower is the fair value.

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

貴金屬
貴金屬之公平值是按活躍市場報價或有若干調整的市場報價為基礎。

Precious metals
The fair values of precious metals are determined by obtaining quoted market prices in active market or market quote with certain adjustments.

(A) 公平值的等級 **(A) Fair value hierarchy**

		2020			
		第一層級 Level 1	**第二層級 Level 2**	**第三層級 Level 3**	**總計 Total**
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**
非金融資產	**Non-financial assets**				
投資物業（附註 26）	Investment properties (Note 26)	**-**	**715**	**18,025**	**18,740**
物業、器材及設備（附註 27）	Properties, plant and equipment (Note 27)				
- 房產	- Premises	**-**	**2,583**	**40,666**	**43,249**
其他資產（附註 28）	Other assets (Note 28)				
- 貴金屬	- Precious metals	**-**	**10,697**	**-**	**10,697**

		2019			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
非金融資產	**Non-financial assets**				
投資物業（附註 26）	Investment properties (Note 26)	-	396	20,032	20,428
物業、器材及設備（附註 27）	Properties, plant and equipment (Note 27)				
- 房產	- Premises	-	1,020	45,004	46,024
其他資產（附註 28）	Other assets (Note 28)				
- 貴金屬	- Precious metals	6,542	2,719	-	9,261

由於本集團對貴金屬之市場可觀察因素進行了校準，於 2020 年內之貴金屬由第一層級至第二層級的轉移為港幣 57.21 億元。相關校準對貴金屬公平值計量影響不重大。本集團之其他非金融資產於年內沒有第一層級及第二層級之間的轉移（2019 年：無）。

There were transfers of HK$5,721 million of precious metals from level 1 to level 2 for the Group during 2020 as a result of calibrations of market observable inputs on precious metals. The impact arising from such calibrations was insignificant to the fair value measurement of precious metals. There were no other non-financial asset transfers between level 1 and level 2 for the Group during the year (2019: Nil).

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (B) Reconciliation of level 3 items

		2020	
		非金融資產 Non-financial assets	
			物業、器材及設備 Properties, plant and equipment
		投資物業 Investment properties	房產 Premises
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2020 年 1 月 1 日	At 1 January 2020	**20,032**	**45,004**
虧損	Losses		
- 收益表	- Income statement		
- 投資物業公平值調整之淨虧損	- Net loss from fair value adjustments on investment properties	**(1,641)**	**-**
- 重估房產之淨虧損	- Net loss from revaluation of premises	**-**	**(57)**
- 其他全面收益	- Other comprehensive income		
- 房產重估	- Revaluation of premises	**-**	**(1,705)**
折舊	Depreciation	**-**	**(1,153)**
增置	Additions	**9**	**87**
轉入第三層級	Transfer into level 3	**-**	**-**
轉出第三層級	Transfer out of level 3	**(295)**	**(1,590)**
重新分類	Reclassification	**(80)**	**80**
匯兌差額	Exchange difference	**-**	**-**
於 2020 年 12 月 31 日	At 31 December 2020	**18,025**	**40,666**
於 2020 年 12 月 31 日持有的非金融資產於年內計入收益表的未實現虧損總額	Total unrealised losses for the year included in income statement for non-financial assets held as at 31 December 2020		
- 投資物業公平值調整之淨虧損	- Net loss from fair value adjustments on investment properties	**(1,641)**	**-**
- 重估房產之淨虧損	- Net loss from revaluation of premises	**-**	**(57)**
		(1,641)	**(57)**

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

(B) 第三層級的項目變動（續） (B) Reconciliation of level 3 items (continued)

		2019 非金融資產 Non-financial assets 投資物業 Investment properties 港幣百萬元 HK$'m	2019 非金融資產 Non-financial assets 物業、器材及設備 Properties, plant and equipment 房產 Premises 港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	19,602	45,063
收益	Gains		
- 收益表	- Income statement		
- 投資物業公平值調整之淨收益	- Net gain from fair value adjustments on investment properties	279	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	11
- 其他全面收益	- Other comprehensive income		
- 房產重估	- Revaluation of premises	-	1,015
折舊	Depreciation	-	(1,138)
增置	Additions	32	133
轉入第三層級	Transfer into level 3	54	155
轉出第三層級	Transfer out of level 3	(136)	(35)
重新分類	Reclassification	201	(201)
匯兌差額	Exchange difference	-	1
於 2019 年 12 月 31 日	At 31 December 2019	20,032	45,004
於 2019 年 12 月 31 日持有的非金融資產於年內計入收益表的未實現收益總額	Total unrealised gains for the year included in income statement for non-financial assets held as at 31 December 2019		
- 投資物業公平值調整之淨收益	- Net gain from fair value adjustments on investment properties	279	-
- 重估房產之淨收益	- Net gain from revaluation of premises	-	11
		279	11

財務報表附註（續） Notes to the Financial Statements (continued)

5. 資產和負債的公平值（續） 5. Fair values of assets and liabilities (continued)

5.3 以公平值計量的非金融工具（續） 5.3 Non-financial instruments measured at fair value (continued)

(B) 第三層級的項目變動（續） (B) Reconciliation of level 3 items (continued)

轉入及轉出第三層級的物業乃因該等被估值物業相對其可比較物業在性質上之溢價／（折價）於年內出現變化所引致。性質上之溢價／（折價）乃取決於被估值物業與近期成交之可比較物業在性質上的差異。由於每年來自近期市場成交之可比較物業均會不盡相同，被估值物業與可比較物業在性質上之溢價／（折價）會相應每年有所變化，從而對可觀察的市場因素所進行之調整之重大性亦會隨之變化，引致物業被轉入及轉出第三層級。

The transfer of properties into and out of level 3 is due to change in the premium/(discount) on features applied between the subject and comparable properties during the year. Premium/(discount) on features is determined with reference to differences in features between the subject properties and the comparable properties recently transacted in the market. As comparable properties that come from recent market transactions may be different in each year, the premium/(discount) on features applied between the subject and comparable properties would change from year to year accordingly. As a result, the significance of adjustments made to observable market inputs may vary and lead to the transfer of properties into and out of level 3.

財務報表附註（續） Notes to the Financial Statements (continued)

6. 淨利息收入 6. Net interest income

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
利息收入	**Interest income**		
客戶貸款、存放銀行及其他金融機構的款項	Advances to customers, due from banks and other financial institutions	**34,703**	46,718
證券投資及以公平值變化計入損益之金融資產	Investment in securities and financial assets at fair value through profit or loss	**11,505**	17,257
其他	Others	**222**	563
		46,430	64,538
利息支出	**Interest expense**		
客戶存款、銀行及其他金融機構存放的款項	Deposits from customers, due to banks and other financial institutions	**(14,747)**	(25,859)
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	**(2)**	(79)
後償負債	Subordinated liabilities	**(80)**	(719)
租賃負債	Lease liabilities	**(53)**	(54)
其他	Others	**(250)**	(562)
		(15,132)	(27,273)
淨利息收入	**Net interest income**	**31,298**	37,265

按攤餘成本及以公平值變化計入其他全面收益作計量之金融資產的利息收入分別為港幣 364.91 億元（2019 年：港幣 491.09 億元）及港幣 94.75 億元（2019 年：港幣 136.46 億元）。

Included within interest income are HK$36,491 million (2019: HK$49,109 million) and HK$9,475 million (2019: HK$13,646 million) for financial assets measured at amortised cost and at fair value through other comprehensive income respectively.

非以公平值變化計入損益作計量之金融負債的利息支出為港幣 148.89 億元（2019 年：港幣 261.86 億元）。

Included within interest expense are HK$14,889 million (2019: HK$26,186 million) for financial liabilities that are not measured at fair value through profit or loss.

財務報表附註（續） Notes to the Financial Statements (continued)

7. 淨服務費及佣金收入 7. Net fee and commission income

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
服務費及佣金收入	**Fee and commission income**		
證券經紀	Securities brokerage	**3,567**	2,113
貸款佣金	Loan commissions	**2,314**	2,675
信用卡業務	Credit card business	**1,868**	2,985
保險	Insurance	**1,480**	2,577
基金分銷	Funds distribution	**783**	816
繳款服務	Payment services	**740**	716
信託及託管服務	Trust and custody services	**700**	660
匯票佣金	Bills commissions	**591**	700
保管箱	Safe deposit box	**306**	294
買賣貨幣	Currency exchange	**226**	599
其他	Others	**1,083**	1,286
		13,658	15,421
服務費及佣金支出	**Fee and commission expense**		
信用卡業務	Credit card business	**(1,179)**	(2,044)
證券經紀	Securities brokerage	**(415)**	(255)
其他	Others	**(666)**	(917)
		(2,260)	(3,216)
淨服務費及佣金收入	**Net fee and commission income**	**11,398**	12,205
其中源自：	Of which arise from:		
非以公平值變化計入損益之金融資產或金融負債	Financial assets or financial liabilities not at fair value through profit or loss		
- 服務費及佣金收入	- Fee and commission income	**2,592**	3,141
- 服務費及佣金支出	- Fee and commission expense	**(7)**	(12)
		2,585	3,129
信託及其他受託活動	Trust and other fiduciary activities		
- 服務費及佣金收入	- Fee and commission income	**899**	850
- 服務費及佣金支出	- Fee and commission expense	**(30)**	(28)
		869	822

8. 淨交易性收益 8. Net trading gain

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
淨收益／（虧損）源自：	Net gain/(loss) from:		
外匯交易及外匯交易產品	Foreign exchange and foreign exchange products	**5,066**	5,732
利率工具及公平值對沖的項目	Interest rate instruments and items under fair value hedge	**(800)**	(530)
商品	Commodities	**361**	366
股權及信貸衍生工具	Equity and credit derivative instruments	**136**	81
		4,763	5,649

9. 其他以公平值變化計入損益之金融工具淨收益 9. Net gain on other financial instruments at fair value through profit or loss

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
其他強制分類為以公平值變化計入損益之金融工具淨收益	Net gain on other financial instruments mandatorily classified at fair value through profit or loss	**36**	61
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	**121**	267
		157	328

財務報表附註（續） Notes to the Financial Statements (continued)

10. 其他金融資產之淨收益 10. Net gain on other financial assets

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
處置／贖回以公平值變化計入其他全面收益之證券投資之淨收益	Net gain on disposal/redemption of investment in securities at FVOCI	**4,411**	795
贖回以攤餘成本計量之證券投資之淨虧損	Net loss on redemption of investment in securities at amortised cost	**(35)**	(41)
其他	Others	**7**	17
		4,383	771

11. 其他經營收入 11. Other operating income

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
股息收入	Dividend income		
- 來自年內被終止確認之以公平值變化計入其他全面收益之證券投資	- From investment in securities at FVOCI derecognised during the year	**11**	3
- 來自年底仍持有之以公平值變化計入其他全面收益之證券投資	- From investment in securities at FVOCI held at the end of the year	**93**	114
投資物業之租金總收入	Gross rental income from investment properties	**597**	670
減：有關投資物業之支出	Less: Outgoings in respect of investment properties	**(61)**	(60)
其他	Others	**97**	104
		737	831

「有關投資物業之支出」包括年內未出租投資物業之直接經營支出港幣 4 百萬元（2019 年：港幣 1 百萬元）。

Included in the "Outgoings in respect of investment properties" is HK$4 million (2019: HK$1 million) of direct operating expenses related to investment properties that were not let during the year.

財務報表附註（續） Notes to the Financial Statements (continued)

12. 減值準備淨撥備 12. Net charge of impairment allowances

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
減值準備淨（撥備）╱撥回：	Net (charge)/reversal of impairment allowances on:		
貸款及其他賬項	Advances and other accounts	**(2,489)**	(1,852)
在銀行及其他金融機構之結餘及定期存放	Balances and placements with banks and other financial institutions	**(5)**	12
證券投資	Investment in securities		
- 以公平值變化計入其他全面收益	- At FVOCI	**(90)**	(19)
- 以攤餘成本計量	- At amortised cost	**9**	(10)
		(81)	(29)
貸款承諾及財務擔保合同	Loan commitments and financial guarantee contracts	**(77)**	(136)
其他	Others	**(19)**	(10)
減值準備淨撥備	Net charge of impairment allowances	**(2,671)**	(2,015)

財務報表附註（續） Notes to the Financial Statements (continued)

13. 經營支出 13. Operating expenses

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
人事費用（包括董事酬金）	Staff costs (including directors' emoluments)		
- 薪酬及其他費用	- Salaries and other costs	**8,541**	8,488
- 退休成本	- Pension cost	**525**	497
		9,066	8,985
房產及設備支出（不包括折舊）	Premises and equipment expenses (excluding depreciation)		
- 短期租賃、低價值資產租賃及浮動租金租賃	- Short-term leases, leases of low-value assets and variable lease payments	**10**	198
- 其他	- Others	**1,204**	1,323
		1,214	1,521
折舊（附註 27）	Depreciation (Note 27)	**2,978**	2,823
核數師酬金	Auditor's remuneration		
- 審計服務	- Audit services	**28**	27
- 非審計服務	- Non-audit services	**13**	9
其他經營支出	Other operating expenses	**2,476**	2,759
		15,775	16,124

14. 投資物業處置／公平值調整之淨（虧損）／收益 14. Net (loss)/gain from disposal of/fair value adjustments on investment properties

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
投資物業公平值調整之淨（虧損）／收益（附註26）	Net (loss)/gain from fair value adjustments on investment properties (Note 26)	**(1,641)**	288

15. 處置／重估物業、器材及設備之淨虧損 15. Net loss from disposal/revaluation of properties, plant and equipment

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
處置設備、固定設施及裝備之淨虧損	Net loss from disposal of equipment, fixtures and fittings	**(4)**	(7)
重估房產之淨（虧損）／收益（附註27）	Net (loss)/gain from revaluation of premises (Note 27)	**(59)**	6
		(63)	(1)

16. 稅項 16. Taxation

收益表內之稅項組成如下：

Taxation in the income statement represents:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
本期稅項	Current tax		
香港利得稅	Hong Kong profits tax		
- 年內計入稅項	- Current year taxation	**5,367**	5,706
- 往年超額撥備	- Over-provision in prior years	**(147)**	(88)
		5,220	5,618
海外稅項	Overseas taxation		
- 年內計入稅項	- Current year taxation	**412**	643
- 往年超額撥備	- Over-provision in prior years	**(25)**	(135)
		5,607	6,126
遞延稅項	Deferred tax		
暫時性差額之產生及撥回及未使用稅項抵免（附註 34）	Origination and reversal of temporary differences and unused tax credits (Note 34)	**(512)**	(146)
		5,095	5,980

香港利得稅乃按照本年度估計於香港產生的應課稅溢利依稅率 16.5%（2019 年：16.5%）提撥。海外溢利之稅款按照本年度估計應課稅溢利依本集團經營業務所在國家／地區之現行稅率計算。

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries/regions in which the Group operates.

本集團除稅前溢利產生的實際稅項，與根據香港利得稅率計算的稅項差異如下：

The taxation on the Group's profit before taxation that differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
除稅前溢利	Profit before taxation	**32,628**	39,334
按稅率 16.5%（2019 年：16.5%）計算的稅項	Calculated at a taxation rate of 16.5% (2019: 16.5%)	**5,384**	6,490
其他國家／地區稅率差異的影響	Effect of different taxation rates in other countries/regions	**75**	166
無需課稅之收入	Income not subject to taxation	**(295)**	(936)
稅務上不可扣減之開支	Expenses not deductible for taxation purposes	**447**	589
使用往年未確認的稅務虧損	Utilisation of previously unrecognised tax losses	**-**	(2)
往年超額撥備	Over-provision in prior years	**(172)**	(223)
海外預提稅	Foreign withholding tax	**(117)**	125
其他	Others	**(227)**	(229)
計入稅項	Taxation charge	**5,095**	5,980
實際稅率	Effective tax rate	**15.6%**	15.2%

財務報表附註（續） Notes to the Financial Statements (continued)

17. 股息 17. Dividends

		2020		2019	
		每股 港元 **Per share** **HK$**	總額 港幣百萬元 **Total** **HK$'m**	每股 港元 Per share HK$	總額 港幣百萬元 Total HK$'m
股息	Dividends	**0.282**	**12,138**	0.366	15,754

於2020年8月30日，董事會宣派中期股息每股普通股港幣0.110元，總額約為港幣47.35億元，並已於2020年9月22日支付。

On 30 August 2020, the Board declared an interim dividend of HK$0.110 per ordinary share amounting to approximately HK$4,735 million, which was paid on 22 September 2020.

於2020年12月11日，董事會宣派中期股息每股普通股港幣0.172元，總額約為港幣74.03億元，並已於2020年12月30日支付。

On 11 December 2020, the Board declared an interim dividend of HK$0.172 per ordinary share amounting to approximately HK$7,403 million, which was paid on 30 December 2020.

財務報表附註（續）

Notes to the Financial Statements (continued)

18. 退休福利成本

18. Retirement benefit costs

本集團提供退休福利予集團內合資格的員工。在香港，提供予本集團員工的定額供款計劃主要為獲《強積金條例》豁免之職業退休計劃及中銀保誠簡易強積金計劃。

Retirement benefits are provided to eligible employees of the Group. In Hong Kong, defined contribution schemes for the Group's employees are ORSO schemes exempted under the MPF Schemes Ordinance and the BOC-Prudential Easy Choice MPF Scheme.

根據職業退休計劃，僱員須向職業退休計劃之每月供款為其基本薪金之 5%，而僱主之每月供款為僱員基本月薪之 5%至 15%不等（視乎僱員之服務年期）。僱員有權於退休、提前退休或僱用期終止且服務年資滿 10 年或以上等情況下收取 100%之僱主供款。服務滿 3 年至 9 年的員工，因其他原因而終止僱用期(被即時解僱除外)，可收取 30%至 90%之僱主供款。僱員收取的僱主供款，須受《強積金條例》所限。

Under the ORSO schemes, employees make monthly contributions to the ORSO schemes equal to 5% of their basic salaries, while the employer makes monthly contributions equal to 5% to 15% of the employees' monthly basic salaries, depending on years of service. The employees are entitled to receive 100% of the employer's contributions upon retirement, early retirement or termination of employment after completing 10 years of service. Employees with 3 to 9 years of service are entitled to receive the employer's contributions at a scale ranging from 30% to 90% upon termination of employment for other reasons other than summary dismissal. All employer's contributions received by employee are subject to MPF Schemes Ordinance.

隨著《強積金條例》於 2000 年 12 月 1 日實施，本集團亦按法例要求設立了強積金計劃，並於 2019 年起，對服務年資滿 5 年的員工增設行方自願性供款。該計劃之受託人為中銀國際英國保誠信託有限公司，投資管理人為中銀國際英國保誠資產管理有限公司，此兩間公司均為本銀行之有關連人士。

With the implementation of the MPF Schemes Ordinance on 1 December 2000, the Group also launched the MPF Scheme according to the regulatory requirement. Since 2019, employees with 5 years of service or above are entitled to employer's voluntary contribution. The trustee of the Scheme is BOCI-Prudential Trustee and the investment manager is BOCI-Prudential Asset Management, which are related parties of the Bank.

截至 2020 年 12 月 31 日止年度，在扣除約港幣 0.10 億元（2019 年：約港幣 0.10 億元）之沒收供款後，職業退休計劃之供款總額約為港幣 3.75 億元（2019 年：約港幣 3.58 億元），而本集團向強積金計劃之供款總額則約為港幣 1.10 億元（2019 年：約港幣 0.99 億元）。

The Group's total contributions made to the ORSO schemes for the year ended 31 December 2020 amounted to approximately HK$375 million (2019: approximately HK$358 million), after a deduction of forfeited contributions of approximately HK$10 million (2019: approximately HK$10 million). For the MPF Scheme, the Group contributed approximately HK$110 million (2019: approximately HK$99 million) for the year ended 31 December 2020.

財務報表附註（續） Notes to the Financial Statements (continued)

19. 董事、高層管理人員及主要人員酬金 19. Directors', senior management's and key personnel's emoluments

(a) 董事及高層管理人員酬金 (a) Directors' and senior management's emoluments

(i) 董事酬金 (i) Directors' emoluments

本年度本集團就本銀行董事為本銀行及管理附屬公司提供之服務而已付及其應收未收之酬金詳情如下：

Details of the emoluments paid to or receivable by the directors of the Bank in respect of their services rendered for the Bank and managing the subsidiaries within the Group during the year are as follows:

		2020				
		董事袍金 Directors' fee	基本薪金、津貼及實物福利 Basic salaries, allowances and benefits in kind	花紅 Bonus	其他付款# Other payments#	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
執行董事	**Executive Directors**					
孫煜（總裁）註1	SUN Yu (Chief Executive) Note 1	-	140	31	-	171
高迎欣（總裁）註2	GAO Yingxin (Chief Executive) Note 2	-	3,041	1,636	-	4,677
		-	3,181	1,667	-	4,848
非執行董事	**Non-executive Directors**					
劉連舸	LIU Liange	-	-	-	-	-
王江註1	WANG Jiang Note 1	-	-	-	-	-
林景臻	LIN Jingzhen	-	-	-	-	-
鄭汝樺*	CHENG Eva*	600	-	-	-	600
蔡冠深*	CHOI Koon Shum*	600	-	-	-	600
高銘勝*	KOH Beng Seng*	650	-	-	-	650
羅義坤*	LAW Yee Kwan Quinn*	550	-	-	-	550
童偉鶴*	TUNG Savio Wai-Hok*	700	-	-	-	700
		3,100	-	-	-	3,100
		3,100	3,181	1,667	-	7,948

註 1：於年內委任。
註 2：於年內辭任。

Note 1: Appointed during the year.
Note 2: Resigned during the year.

財務報表附註（續） Notes to the Financial Statements (continued)

19. 董事、高層管理人員及主要人員酬金（續） 19. Directors', senior management's and key personnel's emoluments (continued)

(a) 董事及高層管理人員酬金（續） (a) Directors' and senior management's emoluments (continued)

(i) 董事酬金（續） (i) Directors' emoluments (continued)

		2019				
		董事袍金 Directors' fee	基本薪金、津貼及實物福利 Basic salaries, allowances and benefits in kind	花紅 Bonus	其他付款# Other payments#	總計 Total
		港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000	港幣千元 HK$'000
執行董事	**Executive Directors**					
高迎欣（總裁）	GAO Yingxin (Chief Executive)	-	7,142	4,247	-	11,389
李久仲	LI Jiuzhong	-	1,008	533	-	1,541
		-	8,150	4,780	-	12,930
非執行董事	**Non-executive Directors**					
劉連舸	LIU Liange	-	-	-	-	-
林景臻	LIN Jingzhen	-	-	-	-	-
鄭汝樺*	CHENG Eva*	502	-	-	-	502
蔡冠深*	CHOI Koon Shum*	551	-	-	-	551
高銘勝*	KOH Beng Seng*	601	-	-	-	601
羅義坤*	LAW Yee Kwan Quinn*	404	-	-	-	404
童偉鶴*	TUNG Savio Wai-Hok*	651	-	-	-	651
陳四清	CHEN Siqing	-	-	-	-	-
		2,709	-	-	-	2,709
		2,709	8,150	4,780	-	15,639

* 獨立非執行董事

* Independent Non-executive Directors

\# 包括為董事所付的退休金計劃供款金額、為促使董事加盟及為補償董事因失去董事職位已支付或應付的款項。

\# Including the contributions to pension scheme for directors, inducement to join the Group and the compensation for the loss of office paid to or receivable by directors.

截至2020年12月31日止年度，沒有董事放棄其酬金（2019年：無）。

There were no directors waived emoluments for the year ended 31 December 2020 (2019: Nil).

19. 董事、高層管理人員及主要人員酬金（續） 19. Directors', senior management's and key personnel's emoluments (continued)

(a) 董事及高層管理人員酬金（續） (a) Directors' and senior management's emoluments (continued)

(ii) 五位最高薪酬人士 (ii) Five highest paid individuals

本集團年內五位最高薪酬人士沒有包括任何董事（2019 年：1 名）。5 名（2019 年：4 名）最高薪酬人士之酬金分析如下：

The five individuals whose emoluments were the highest in the Group for the year do not include any (2019: one) directors. The emoluments payable to the five (2019: four) individuals during the year are as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
基本薪金及津貼	Basic salaries and allowances	**23**	16
花紅	Bonus	**10**	11
退休金計劃供款	Contributions to pension schemes	**1**	1
		34	28

年內就彼等任期內已付及其應收未收之酬金組別如下：

Emoluments paid to or receivable by individuals during the year with reference to their tenure are within the following bands:

		人數 Number of individuals	
		2020	2019
港幣 6,000,001 元至港幣 6,500,000 元	HK$6,000,001 to HK$6,500,000	**1**	1
港幣 6,500,001 元至港幣 7,000,000 元	HK$6,500,001 to HK$7,000,000	**1**	1
港幣 7,000,001 元至港幣 7,500,000 元	HK$7,000,001 to HK$7,500,000	**2**	-
港幣 7,500,001 元至港幣 8,000,000 元	HK$7,500,001 to HK$8,000,000	**1**	2

財務報表附註（續） Notes to the Financial Statements (continued)

19. 董事、高層管理人員及主要人員酬金（續） 19. Directors’, senior management’s and key personnel’s emoluments (continued)

(a) 董事及高層管理人員酬金（續） (a) Directors’ and senior management’s emoluments (continued)

(iii) 高層管理人員酬金 (iii) Senior management’s emoluments

高層管理人員年內就彼等任期內已付及其應收未收之酬金組別如下：

Emoluments paid to or receivable by individuals during the year with reference to their tenure as senior management are within the following bands:

		人數 Number of individuals 2020	2019
港幣 0 元至港幣 500,000 元	HK$0 to HK$500,000	**1**	-
港幣 500,001 元至港幣 1,000,000 元	HK$500,001 to HK$1,000,000	**-**	1
港幣 1,500,001 元至港幣 2,000,000 元	HK$1,500,001 to HK$2,000,000	**-**	1
港幣 2,000,001 元至港幣 2,500,000 元	HK$2,000,001 to HK$2,500,000	**-**	1
港幣 3,500,001 元至港幣 4,000,000 元	HK$3,500,001 to HK$4,000,000	**1**	-
港幣 4,500,001 元至港幣 5,000,000 元	HK$4,500,001 to HK$5,000,000	**1**	-
港幣 5,000,001 元至港幣 5,500,000 元	HK$5,000,001 to HK$5,500,000	**2**	2
港幣 5,500,001 元至港幣 6,000,000 元	HK$5,500,001 to HK$6,000,000	**1**	2
港幣 6,000,001 元至港幣 6,500,000 元	HK$6,000,001 to HK$6,500,000	**1**	1
港幣 6,500,001 元至港幣 7,000,000 元	HK$6,500,001 to HK$7,000,000	**1**	-
港幣 7,000,001 元至港幣 7,500,000 元	HK$7,000,001 to HK$7,500,000	**1**	-
港幣 7,500,001 元至港幣 8,000,000 元	HK$7,500,001 to HK$8,000,000	**1**	1
港幣 11,000,001 元至港幣 11,500,000 元	HK$11,000,001 to HK$11,500,000	**-**	1

19. 董事、高層管理人員及主要人員酬金（續） 19. Directors', senior management's and key personnel's emoluments (continued)

(b) CG-5 下高級管理人員及主要人員的薪酬 (b) Remuneration for Senior Management and Key Personnel under CG-5

就披露用途，高級管理人員及主要人員定義如下：

For the purpose of disclosure, Senior Management and Key Personnel are defined as follows:

- 高級管理人員：董事會指定的高級管理人員，負責總體策略或重要業務，包括總裁、副總裁、財務總監、風險總監、營運總監、董事會秘書以及集團審計總經理。
- Senior Management: The senior executives designated by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including the Chief Executive, Deputy Chief Executives, Chief Financial Officer, Chief Risk Officer, Chief Operating Officer, Board Secretary and General Manager of Group Audit.

- 主要人員：個人業務活動涉及重大風險承擔，對風險暴露有重大影響，或個人職責對風險管理有直接、重大影響，或對盈利有直接影響的人員，包括業務盈利規模較大的單位主管、本集團主要附屬公司第一責任人、東南亞機構高職人員、交易主管，以及對風險管理有直接影響的職能單位第一責任人。
- Key Personnel: The employees whose individual business activities involve the assumption of material risk which may have significant impact on risk exposure, or whose individual responsibilities are directly and materially linked to the risk management, or those who have direct influence to the profit, including heads of material business lines, heads of major subsidiaries, senior executives of Southeast Asian entities, head of trading, as well as heads of risk control functions.

本年度本集團之高級管理人員及主要人員的薪酬詳情如下：

Details of the remuneration for Senior Management and Key Personnel of the Group during the year are as follows:

(i) 於財政年度內給予的薪酬 (i) Remuneration awarded during financial year

		2020		2019	
		高級管理人員 Senior Management 港幣百萬元 HK$'m	**主要人員 Key Personnel 港幣百萬元 HK$'m**	高級管理人員 Senior Management 港幣百萬元 HK$'m	主要人員 Key Personnel 港幣百萬元 HK$'m
固定薪酬	Fixed remuneration				
現金	Cash-based	**45**	**141**	42	137
其中：遞延	*Of which: deferred*	**-**	**-**	-	-
浮動薪酬	Variable remuneration				
現金	Cash-based	**18**	**57**	19	85
其中：遞延	*Of which: deferred*	***5***	***13***	*5*	*22*
薪酬總額	Total remuneration	**63**	**198**	61	222
員工數目	Number of employees				
固定薪酬	Fixed remuneration	**13**	**56**	12	56
浮動薪酬	Variable remuneration	**13**	**55**	12	55

財務報表附註（續） Notes to the Financial Statements (continued)

19. 董事、高層管理人員及主要人員酬金（續） 19. Directors', senior management's and key personnel's emoluments (continued)

(b) CG-5 下高級管理人員及主要人員的薪酬（續） (b) Remuneration for Senior Management and Key Personnel under CG-5 (continued)

(ii) 特別付款 (ii) Special payments

		2020 高級管理人員 Senior Management 港幣千元 HK$'000	2020 主要人員 Key Personnel 港幣千元 HK$'000	2019 高級管理人員 Senior Management 港幣千元 HK$'000	2019 主要人員 Key Personnel 港幣千元 HK$'000
簽約獎金	Sign-on awards	-	333	-	-
員工數目	Number of employees	-	1	-	-

截至2020年12月31日止年度，沒有給予高級管理人員及主要人員保證花紅及遣散費（2019年：無）。

There were no guaranteed bonuses and severance payments to Senior Management and Key Personnel for the year ended 31 December 2020 (2019: Nil).

(iii) 遞延薪酬 (iii) Deferred remuneration

2020

		未支付的遞延薪酬總額 Total amount of outstanding deferred remuneration 港幣百萬元 HK$'m	其中：可能受在宣布給予後出現的外在及／或內在調整影響的未支付遞延及保留薪酬總額 Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment 港幣百萬元 HK$'m	在有關財政年度內因在宣布給予後作出的外在調整而被修訂的薪酬總額 Total amount of amendment during the year due to ex post explicit adjustments 港幣百萬元 HK$'m	在有關財政年度內因在宣布給予後出現的內在調整而被修訂的薪酬總額 Total amount of amendment during the year due to ex post implicit adjustments 港幣百萬元 HK$'m	在有關財政年度內發放的遞延薪酬總額 Total amount of deferred remuneration paid out in the financial year 港幣百萬元 HK$'m
高級管理人員 現金	Senior Management Cash	10	10	-	-	(5)
主要人員 現金	Key Personnel Cash	34	34	-	-	(18)
總額	Total	44	44	-	-	(23)

2019

		未支付的遞延薪酬總額 Total amount of outstanding deferred remuneration 港幣百萬元 HK$'m	其中：可能受在宣布給予後出現的外在及／或內在調整影響的未支付遞延及保留薪酬總額 Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment 港幣百萬元 HK$'m	在有關財政年度內因在宣布給予後作出的外在調整而被修訂的薪酬總額 Total amount of amendment during the year due to ex post explicit adjustments 港幣百萬元 HK$'m	在有關財政年度內因在宣布給予後出現的內在調整而被修訂的薪酬總額 Total amount of amendment during the year due to ex post implicit adjustments 港幣百萬元 HK$'m	在有關財政年度內發放的遞延薪酬總額 Total amount of deferred remuneration paid out in the financial year 港幣百萬元 HK$'m
高級管理人員 現金	Senior Management Cash	10	10	-	-	(5)
主要人員 現金	Key Personnel Cash	39	39	-	-	(14)
總額	Total	49	49	-	-	(19)

20. 庫存現金及在銀行及其他金融機構之結餘及定期存放 20. Cash and balances and placements with banks and other financial institutions

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
庫存現金	Cash	**38,187**	19,028
存放中央銀行之結餘	Balances with central banks	**141,803**	150,249
在中央銀行一個月內到期之定期存放	Placements with central banks maturing within one month	**36,842**	9,541
在中央銀行一至十二個月內到期之定期存放	Placements with central banks maturing between one and twelve months	**3,379**	2,444
在中央銀行超過一年到期之定期存放	Placements with central banks maturing over one year	**1,547**	785
		183,571	163,019
存放其他銀行及其他金融機構之結餘	Balances with other banks and other financial institutions	**187,459**	75,455
在其他銀行及其他金融機構一個月內到期之定期存放	Placements with other banks and other financial institutions maturing within one month	**19,588**	80,971
在其他銀行及其他金融機構一至十二個月內到期之定期存放	Placements with other banks and other financial institutions maturing between one and twelve months	**33,974**	28,166
在其他銀行及其他金融機構超過一年到期之定期存放	Placements with other banks and other financial institutions maturing over one year	**310**	-
		241,331	184,592
		463,089	366,639
減值準備	Impairment allowances		
- 第一階段	- Stage 1	**(8)**	(3)
- 第二階段	- Stage 2	**-**	-
- 第三階段	- Stage 3	**-**	-
		463,081	366,636

財務報表附註（續） Notes to the Financial Statements (continued)

21. 以公平值變化計入損益之金融資產 21. Financial assets at fair value through profit or loss

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
證券	Securities		
交易性資產	Trading assets		
- 庫券	- Treasury bills	**1,349**	21,025
- 存款證	- Certificates of deposit	**171**	2,953
- 其他債務證券	- Other debt securities	**25,297**	13,612
		26,817	37,590
- 股份證券	- Equity securities	**49**	37
		26,866	37,627
其他強制分類為以公平值變化計入損益之金融資產	Other financial assets mandatorily classified at fair value through profit or loss		
- 存款證	- Certificates of deposit	**-**	-
- 其他債務證券	- Other debt securities	**1,154**	744
		1,154	744
- 股份證券	- Equity securities	**-**	3
		1,154	747
界定為以公平值變化計入損益之金融資產	Financial assets designated at fair value through profit or loss		
- 存款證	- Certificates of deposit	**-**	-
- 其他債務證券	- Other debt securities	**1,307**	2,991
		1,307	2,991
證券總額	Total securities	**29,327**	41,365
其他債務工具	Other debt instruments		
交易性資產	Trading assets	**3,300**	5,297
界定為以公平值變化計入損益之金融資產	Financial assets designated at fair value through profit or loss	**118**	-
其他債務工具總額	Total other debt instruments	**3,418**	5,297
		32,745	46,662

21. 以公平值變化計入損益之金融資產（續） 21. Financial assets at fair value through profit or loss (continued)

證券總額按上市地之分類如下： Total securities are analysed by place of listing as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	**22,395**	5,903
- 於香港以外上市	- Listed outside Hong Kong	**2,479**	4,192
- 非上市	- Unlisted	**4,404**	31,230
		29,278	41,325
股份證券	Equity securities		
- 於香港上市	- Listed in Hong Kong	**49**	37
- 於香港以外上市	- Listed outside Hong Kong	**-**	3
		49	40
證券總額	Total securities	**29,327**	41,365

證券總額按發行機構之分類如下： Total securities are analysed by type of issuer as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
官方實體	Sovereigns	**26,102**	30,302
公營單位	Public sector entities	**535**	1,526
銀行及其他金融機構	Banks and other financial institutions	**2,204**	7,506
公司企業	Corporate entities	**486**	2,031
證券總額	Total securities	**29,327**	41,365

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 22. Derivative financial instruments and hedge accounting

本集團訂立匯率、利率、商品、股權及信貸相關的衍生金融工具合約作買賣及風險管理之用。

The Group enters into exchange rate, interest rate, commodity, equity and credit related derivative financial instrument contracts for trading and risk management purposes.

貨幣遠期是指於未來某一日期買或賣外幣的承諾。利率期貨是指根據合約按照利率的變化收取或支付一個淨金額的合約，或在交易所管理的金融市場上按約定價格在未來的某一日期買進或賣出利率金融工具的合約。遠期利率協議是經單獨協商而達成的利率期貨合約，要求在未來某一日根據合約利率與市場利率的差異及名義本金的金額進行計算及現金交割。

Currency forwards represent commitments to purchase and sell foreign currency on a future date. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates or buy or sell interest rate financial instruments on a future date at an agreed price in the financial market under the administration of the stock exchange. Forward rate agreements are individually negotiated interest rate futures that call for a cash settlement at a future date for the difference between a contract rate of interest and the current market rate, based on a notional principal amount.

貨幣、利率及商品掉期是指交換不同現金流或商品的承諾。掉期的結果是交換不同貨幣、利率（如固定利率與浮動利率）或貴金屬（如白銀掉期）或以上的所有組合（如交叉貨幣利率掉期）。除某些貨幣掉期合約外，該等交易無需交換本金。

Currency, interest rate and commodity swaps are commitments to exchange one set of cash flows or commodity for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or precious metals (for example, silver swaps) or a combination of all these (for example, cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

外匯、利率、貴金屬及股權期權是指期權的賣方（出讓方）為買方（持有方）提供在未來某一特定日期或未來一定時期內按約定的價格買進（認購期權）或賣出（認沽期權）一定數量的金融工具的權利（而非承諾）的一種協議。考慮到外匯和利率風險，期權的賣方從購買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成或透過交易所進行（如於交易所進行買賣之期權）。

Foreign currency, interest rate, precious metal and equity options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated over-the-counter between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續）

22. Derivative financial instruments and hedge accounting (continued)

本集團之衍生金融工具合約／名義數額及其公平值詳列於下表。各類型金融工具的合約／名義數額僅顯示於資產負債表日未完成之交易量，而若干金融工具之合約／名義數額則提供了一個與資產負債表內所確認的資產或負債的公平值對比的基礎。但是，這並不反映所涉及的未來的現金流或當前的公平值，因而也不能反映本集團所面臨的信貸風險或市場風險。隨著與衍生金融工具合約條款相關的匯率、市場利率、商品價格或股權價格的波動，衍生金融工具的估值可能產生有利（資產）或不利（負債）的影響，這些影響可能在不同期間有較大的波動。

The contract/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contract/notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet dates and certain of them provide a basis for comparison with the fair values of instruments recognised on the balance sheet. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates, market interest rates, commodity prices or equity prices relative to their terms. The aggregate fair values of derivative financial instruments can fluctuate significantly from time to time.

(a) 衍生金融工具

(a) Derivative financial instruments

本集團進行場內及場外衍生產品交易的主要目的是開展客戶業務。集團與客戶及同業市場敍做的衍生產品交易均需嚴格遵從本集團各相關風險管理政策及規定。

The Group trades derivative products (both exchange-traded and OTC) mainly for customer business. The Group strictly follows risk management policies and requirements in providing derivative products to our customers and in trading of derivative products in the interbank market.

衍生產品亦應用於管理銀行賬的利率風險，只有在獲批准之產品名單上載有的衍生產品方可進行交易。由衍生產品交易產生的風險承擔名義數額以設限控制，並制訂交易的最長期限。每宗衍生產品交易必須記錄於相應的系統，以進行結算、市場劃價、報告及監控。

Derivatives are also used to manage the interest rate risk of the banking book. A derivative instrument must be included in the approved product list before any transactions for that instrument can be made. There are limits to control the notional amount of exposure arising from derivative transactions, and the maximum tenor of the deal is set. Every derivative transaction must be input into the relevant system for settlement, mark-to-market revaluation, reporting and control.

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具（續） (a) Derivative financial instruments (continued)

下表概述各類衍生金融工具於 12 月 31 日之合約／名義數額及其公平值：

The following tables summarise the contract/notional amounts and fair values of each class of derivative financial instrument as at 31 December:

		2020		
		合約／名義數額 Contract/ notional amounts	公平值 Fair values	
			資產 Assets	負債 Liabilities
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	252,159	13,501	(9,918)
掉期	Swaps	1,161,386	18,641	(20,803)
期權	Options	21,443	147	(136)
		1,434,988	32,289	(30,857)
利率合約	Interest rate contracts			
期貨	Futures	488	-	-
掉期	Swaps	1,152,857	17,211	(26,218)
期權	Options	5,845	-	-
		1,159,190	17,211	(26,218)
商品合約	Commodity contracts	42,819	3,282	(3,246)
股權合約	Equity contracts	2,468	29	(34)
信貸衍生工具合約	Credit derivative contracts	-	-	-
		2,639,465	52,811	(60,355)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具（續） (a) Derivative financial instruments (continued)

		2019		
		合約／名義數額 Contract/ notional amounts	公平值 Fair values	
			資產 Assets	負債 Liabilities
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	318,664	11,812	(8,105)
掉期	Swaps	1,559,311	10,992	(10,027)
期權	Options	49,544	132	(100)
		1,927,519	22,936	(18,232)
利率合約	Interest rate contracts			
期貨	Futures	1,126	2	-
掉期	Swaps	1,223,157	7,462	(12,002)
期權	Options	3,114	-	-
		1,227,397	7,464	(12,002)
商品合約	Commodity contracts	48,446	756	(2,576)
股權合約	Equity contracts	1,301	11	(14)
信貸衍生工具合約	Credit derivative contracts	389	-	(9)
		3,205,052	31,167	(32,833)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(b) 對沖會計 (b) Hedge accounting

公平值對沖

本集團利用利率掉期合約對沖由市場利率引致的金融資產及負債公平值變動。本集團應用對沖會計的利率風險來自定息債務證券，當基準利率浮動，它們的公平值亦會變動。由於定息債務證券的公平值變化會顯著受到基準利率浮動的影響，本集團只指定利率風險中的基準利率部分進行對沖。當經濟對沖關係符合對沖會計條件，對沖會計被應用。

以下原因可能導致對沖無效：

- 對沖工具和被對沖項目的增加或減少；
- 交易對手信用風險重大變化。

下表概述了於 12 月 31 日以剩餘合約到期日列示之對沖工具的合約／名義數額。

Fair value hedges

The Group uses interest rate swaps to hedge against change in fair value of financial assets and liabilities arising from movements in market interest rates. Interest rate risk to which the Group applies hedge accounting arises from fixed-rate debt securities, whose fair value fluctuates when benchmark interest rates change. The Group only designates interest rate risks to the extent of benchmark interest rates as the hedged risks because the changes in fair value of the fixed-rate debt securities are significantly influenced by the changes in the benchmark interest rates. Hedge accounting is applied where economic hedging relationships meet the hedge accounting criteria.

Possible sources of ineffectiveness are as follows:

- Increase or decrease in the amounts of hedged items or hedging instruments;
- Significant changes in counterparties' credit risk.

The table below summarises the contract/notional amounts of the hedging instruments as at 31 December by remaining contractual maturity.

		2020					
		一個月內 Up to 1 month	**一至三個月 1 to 3 months**	**三至十二個月 3 to 12 months**	**一至五年 1 to 5 years**	**五年以上 Over 5 years**	**總計 Total**
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**
利率掉期	Interest rate swaps	**1,875**	**2,011**	**8,382**	**61,441**	**37,545**	**111,254**

		2019					
		一個月內 Up to 1 month	一至三個月 1 to 3 months	三至十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
利率掉期	Interest rate swaps	849	1,575	6,065	67,336	38,066	113,891

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(b) 對沖會計（續） (b) Hedge accounting (continued)

公平值對沖（續） Fair value hedges (continued)

界定為對沖工具之相關金額如下：

The amounts relating to items designated as hedging instruments are as follows:

2020

		合約／名義數額 Contract/ notional amounts	公平值 Fair values 資產 Assets	公平值 Fair values 負債 Liabilities	用以確認對沖無效部分之公平值變動 Change in fair value used for recognising hedge ineffectiveness
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
衍生金融工具	Derivative financial instruments				
利率掉期	Interest rate swaps	**111,254**	**50**	**(6,196)**	**(4,074)**

2019

		合約／名義數額 Contract/ notional amounts	公平值 Fair values 資產 Assets	公平值 Fair values 負債 Liabilities	用以確認對沖無效部分之公平值變動 Change in fair value used for recognising hedge ineffectiveness
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
衍生金融工具	Derivative financial instruments				
利率掉期	Interest rate swaps	113,891	330	(2,632)	(3,714)

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(b) 對沖會計（續） (b) Hedge accounting (continued)

公平值對沖（續） Fair value hedges (continued)

被對沖項目之相關金額如下： The amounts relating to hedged items are as follows:

		2020		
		賬面值 Carrying amounts	**計入賬面值的公平值對沖調整累計金額 Accumulated amount of fair value hedge adjustment included in the carrying amounts**	**用以確認對沖無效部分之價值變動 Change in value used for recognising hedge ineffectiveness**
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	**港幣百萬元 HK$'m**
證券投資	Investment in securities			
債務證券	Debt securities	**119,092**	**6,538**	**4,302**

		2019		
		賬面值 Carrying amounts	計入賬面值的公平值對沖調整累計金額 Accumulated amount of fair value hedge adjustment included in the carrying amounts	用以確認對沖無效部分之價值變動 Change in value used for recognising hedge ineffectiveness
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
證券投資	Investment in securities			
債務證券	Debt securities	118,224	2,813	3,921

確認對沖無效部分如下： Hedge ineffectiveness recognised is as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
淨交易性收益	Net trading gain	**228**	207

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(c) 基準利率改革

香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號（經修訂）「基準利率改革」對特定對沖會計規定作出修改，從而允許實體在採用該對沖會計規定時，在幾乎無風險的替代利率取代現有基準利率之前不確定性的期間，可假設基準利率改革不改變被對沖項目現金流量和對沖工具現金流量所依據的基準利率。本集團自 2020年1月1日起開始的會計年度首次採用該修訂。

本集團的公平值對沖會計關係涉及不同的基準利率，主要為美元倫敦銀行同業拆息。本集團實時管理監測基準利率向替代參考利率過渡的進展，以確保本集團對沖會計關係的平穩過渡。在轉換過程中，可能會由於對沖關係中包含的現有產品的轉換、預期規模的變化、新產品的合同條款變化或這些因素的組合導致一些對沖關係可能需要終止並且建立新的對沖關係，而另一些對沖關係可能會在全市場基準改革中繼續存在。

(c) IBOR reform

The HKAS 39, HKFRS 7 and HKFRS 9 (Amendments), “Interest Rate Benchmark Reform” modify some specific hedge accounting requirements. During the period of uncertainty arising from phasing-out of interest rate benchmarks with an alternative nearly risk-free interest rate (“RFR”), the entities that apply these hedge accounting requirements can assume that the interest rate benchmarks on which the hedged cash flows and cash flows of the hedging instrument are based are not altered as a result of IBOR reform. The Group has adopted the amendments for the financial year beginning on 1 January 2020.

The Group has fair value hedge accounting relationships that are exposed to different interbank offered rates, predominantly US Dollar LIBOR. External progress on the transition to RFRs is being monitored, with the objective of ensuring a smooth transition for the Group’s hedge accounting relationships. The specific issues arising will vary with the details of each hedging relationship, but may arise due to the transition of existing products included in the designation, a change in expected volumes of products to be issued, a change in contractual terms of new products issued, or a combination of these factors. Some hedges may need to be de-designated and new relationships entered into, while others may survive the market-wide benchmarks reform.

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

(c) 基準利率改革（續） (c) IBOR reform (continued)

適用豁免的對沖會計關係的被對沖項目為債務證券，列示在綜合資產負債表的「證券投資」中。在識別適用豁免的對沖會計關係的被對沖項目時，本集團對預期不確定性何時終止，以及對相應的豁免終止時點進行了判斷。截至2020年12月31日，本集團認為不確定性仍然存在，因此該等豁免將仍適用於本集團所有因基準利率改革而需替換或受影響的對沖會計關係。

The hedged items that are affected by the adoption of the temporary exceptions in hedge accounting relationships are debt securities which are presented in the consolidated balance sheet as “Investment in securities”. When identifying the hedged items that are affected by the adoption of the temporary exception, judgement has been exercised by the Group in determining when uncertainty is expected to be resolved and therefore when the temporary exceptions will cease to apply. As at 31 December 2020, the Group believed that the uncertainty continued to exist and so the temporary exceptions apply to all of the Group’s hedge accounting relationships that reference benchmarks subject to reform or replacement.

在對沖會計關係中指定的利率衍生產品合約／名義數額，代表本集團所管理的受全市場基準改革直接影響和適用豁免的對沖關係的風險承擔。在下表列出：

The contract/notional amounts of interest rate derivatives designated in hedge accounting relationships represent the extent of the risk exposure managed by the Group that is directly affected by market-wide benchmarks reform and impacted by the temporary exceptions, which is presented as below:

		2020 合約／名義數額 Contract/ notional amounts 港幣百萬元 HK$'m
利率掉期	Interest rate swaps	**104,022**

22. 衍生金融工具及對沖會計（續）

22. Derivative financial instruments and hedge accounting (continued)

(c) 基準利率改革（續）

2020 年 10 月，香港會計師公會發佈了香港會計準則第 39 號、香港財務報告準則第 4 號、香港財務報告準則第 7 號、香港財務報告準則第 9 號及香港財務報告準則第 16 號（經修訂）「基準利率改革 - 第二階段」。本集團將從 2021 年 1 月 1 日起開始的會計年度採用該修訂。

(c) IBOR reform (continued)

In October 2020, HKICPA issued HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments), “Interest Rate Benchmark Reform – Phase 2”. The Group will adopt the amendments for the financial year beginning on 1 January 2021.

23. 貸款及其他賬項 23. Advances and other accounts

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
個人貸款	Personal loans and advances	**457,013**	414,356
公司貸款	Corporate loans and advances	**1,040,243**	981,067
客戶貸款	Advances to customers	**1,497,256**	1,395,423
減：減值準備	Less: Impairment allowances		
- 第一階段	- Stage 1	**(5,405)**	(4,563)
- 第二階段	- Stage 2	**(1,115)**	(297)
- 第三階段	- Stage 3	**(2,652)**	(2,175)
		1,488,084	1,388,388
貿易票據	Trade bills	**9,826**	20,727
減：減值準備	Less: Impairment allowances		
- 第一階段	- Stage 1	**-**	(1)
- 第二階段	- Stage 2	**-**	-
- 第三階段	- Stage 3	**-**	-
		9,826	20,726
銀行及其他金融機構貸款	Advances to banks and other financial institutions	**1,898**	3,387
		1,499,808	1,412,501

於 2020 年 12 月 31 日，客戶貸款包括應計利息港幣 19.61 億元（2019 年：港幣 27.56 億元）。

As at 31 December 2020, advances to customers included accrued interest of HK$1,961 million (2019: HK$2,756 million).

財務報表附註（續） Notes to the Financial Statements (continued)

24. 證券投資 24. Investment in securities

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
以公平值變化計入其他全面收益之證券投資	Investment in securities at fair value through other comprehensive income		
- 庫券	- Treasury bills	**122,583**	234,284
- 存款證	- Certificates of deposit	**46,029**	51,167
- 其他債務證券	- Other debt securities	**562,723**	382,206
		731,335	667,657
- 股份證券	- Equity securities	**3,441**	3,288
		734,776	670,945
以攤餘成本計量之證券投資	Investment in securities at amortised cost		
- 存款證	- Certificates of deposit	**966**	1,508
- 其他債務證券	- Other debt securities	**54,138**	66,902
		55,104	68,410
- 減值準備	- Impairment allowances		
第一階段	Stage 1	**(11)**	(20)
第二階段	Stage 2	**-**	-
第三階段	Stage 3	**-**	-
		55,093	68,390
		789,869	739,335

財務報表附註（續） Notes to the Financial Statements (continued)

24. 證券投資（續） 24. Investment in securities (continued)

證券投資按上市地之分類如下： Investment in securities is analysed by place of listing as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
以公平值變化計入其他全面收益之證券投資	Investment in securities at fair value through other comprehensive income		
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	**186,125**	65,315
- 於香港以外上市	- Listed outside Hong Kong	**141,918**	178,740
- 非上市	- Unlisted	**403,292**	423,602
		731,335	667,657
股份證券	Equity securities		
- 於香港上市	- Listed in Hong Kong	**345**	550
- 於香港以外上市	- Listed outside Hong Kong	**487**	584
- 非上市	- Unlisted	**2,609**	2,154
		3,441	3,288
		734,776	670,945
以攤餘成本計量之證券投資	Investment in securities at amortised cost		
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	**1,241**	1,227
- 於香港以外上市	- Listed outside Hong Kong	**38,385**	41,441
- 非上市	- Unlisted	**15,467**	25,722
		55,093	68,390
		789,869	739,335
以攤餘成本計量之上市證券市值	Market value of listed securities at amortised cost	**40,429**	43,207

財務報表附註（續） Notes to the Financial Statements (continued)

24. 證券投資（續） 24. Investment in securities (continued)

證券投資按發行機構之分類如下：

Investment in securities is analysed by type of issuer as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
官方實體	Sovereigns	**421,152**	356,432
公營單位	Public sector entities	**26,363**	46,790
銀行及其他金融機構	Banks and other financial institutions	**231,489**	196,167
公司企業	Corporate entities	**110,865**	139,946
		789,869	739,335

證券投資之變動概述如下：

The movements in investment in securities are summarised as follows:

		2020	
		以公平值變化計入其他全面收益 At fair value through other comprehensive income	**以攤餘成本計量 At amortised cost**
		港幣百萬元 HK$'m	**港幣百萬元 HK$'m**
於 2020 年 1 月 1 日	At 1 January 2020	**670,945**	**68,390**
增置	Additions	**1,137,842**	**33,513**
處置、贖回及到期	Disposals, redemptions and maturity	**(1,095,867)**	**(47,130)**
攤銷	Amortisation	**436**	**140**
公平值／公平值對沖調整之變化	Change in fair value/fair value hedge adjustment	**9,961**	**(15)**
減值準備淨撥備	Net charge of impairment allowances	**-**	**9**
匯兌差額	Exchange difference	**11,459**	**186**
於 2020 年 12 月 31 日	At 31 December 2020	**734,776**	**55,093**

財務報表附註（續） Notes to the Financial Statements (continued)

24. 證券投資（續） 24. Investment in securities (continued)

		2019 以公平值變化計入其他全面收益 At fair value through other comprehensive income 港幣百萬元 HK$'m	2019 以攤餘成本計量 At amortised cost 港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	471,096	69,759
增置	Additions	1,033,786	14,388
處置、贖回及到期	Disposals, redemptions and maturity	(843,401)	(15,282)
攤銷	Amortisation	2,630	(116)
公平值／公平值對沖調整之變化	Change in fair value/fair value hedge adjustment	9,546	42
減值準備淨撥備	Net charge of impairment allowances	-	(10)
匯兌差額	Exchange difference	(2,712)	(391)
於 2019 年 12 月 31 日	At 31 December 2019	670,945	68,390

本集團因以策略性持有作考慮，將部分股份證券選擇以公平值變化計入其他全面收益作計量。此包括後償額外一級證券，上市及非上市股權。

The Group has designated certain equity securities as equity securities at fair value through other comprehensive income. The fair value through other comprehensive income designation was made because these are held for strategic investments. Investments include subordinated Additional Tier 1 securities, listed and unlisted equity shares.

基於重新平衡投資組合及發行人贖回證券，本集團於年內終止確認若干以公平值變化計入其他全面收益之股份證券，其公平值為港幣 6.21 億元（2019 年：港幣 0.78 億元）。

The Group derecognised certain equity securities at fair value through other comprehensive income with fair value of HK$621 million (2019: HK$78 million) during the year. The derecognition was made because of portfolio rebalancing and the redemption by issuer.

25. 聯營公司及合資企業權益 25. Interests in associates and joint ventures

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
於 1 月 1 日	At 1 January	**619**	482
應佔業績	Share of results	**67**	179
應佔稅項	Share of tax	**(25)**	(42)
匯兌差額	Exchange difference	**2**	-
於 12 月 31 日	At 31 December	**663**	619

本集團之聯營公司及合資企業均為非上市公司，詳情如下：

The particulars of the Group's associates and joint ventures, all of which are unlisted, are as follows:

名稱 Name	註冊及營業地點 Place of incorporation and operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀金融商務有限公司 BOC Services Company Limited	中國 PRC	註冊資本 50,000,000 人民幣 Registered capital RMB50,000,000	45%	信用卡後台服務支援 Credit card back-end service support
銀聯通寶有限公司 Joint Electronic Teller Services Limited	香港 Hong Kong	10,026,000 港元 HK$10,026,000	19.96%	為自動櫃員機服務提供銀行私人訊息轉換網絡 Operation of a private inter-bank message switching network in respect of ATM services

上述聯營公司及合資企業單獨或者合併均對本集團無重大影響。

None of the above associates and joint ventures is considered individually or in aggregate material to the Group.

26. 投資物業 26. Investment properties

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
於 1 月 1 日	At 1 January	**20,428**	19,988
增置	Additions	**9**	35
公平值（虧損）／收益（附註 14）	Fair value (loss)/gain (Note 14)	**(1,641)**	288
重新分類（轉至）／轉自物業、器材及設備（附註 27）	Reclassification (to)/from properties, plant and equipment (Note 27)	**(56)**	117
於 12 月 31 日	At 31 December	**18,740**	20,428

投資物業之賬面值按租約剩餘期限分析如下：

The carrying value of investment properties is analysed based on the remaining terms of the leases as follows:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
在香港持有	Held in Hong Kong		
長期租約（超過 50 年）	On long-term lease (over 50 years)	**5,016**	5,320
中期租約（10 年至 50 年）	On medium-term lease (10 to 50 years)	**13,365**	14,746
在香港以外持有	Held outside Hong Kong		
中期租約（10 年至 50 年）	On medium-term lease (10 to 50 years)	**328**	330
短期租約（少於 10 年）	On short-term lease (less than 10 years)	**31**	32
		18,740	20,428

於 2020 年 12 月 31 日，列於資產負債表內之投資物業，乃依據獨立特許測量師萊坊測量師行有限公司於 2020 年 12 月 31 日以公平值為基準所進行之專業估值。公平值指在計量當日若在有秩序成交的情況下向市場參與者出售每一項投資物業應取得的價格。

As at 31 December 2020, investment properties were included in the balance sheet at valuation carried out at 31 December 2020 on the basis of their fair value by an independent firm of chartered surveyors, Knight Frank Petty Limited. The fair value represents the price that would be received to sell each investment property in an orderly transaction with market participants at the measurement date.

財務報表附註（續） Notes to the Financial Statements (continued)

27. 物業、器材及設備 27. Properties, plant and equipment

		房產 Premises	設備、固定設施及裝備 Equipment, fixtures and fittings	使用權資產 Right-of-use assets	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於2020年1月1日之賬面淨值	Net book value at 1 January 2020	**46,024**	**3,259**	**1,890**	**51,173**
增置	Additions	**91**	**1,206**	**534**	**1,831**
處置	Disposals	**(2)**	**(13)**	**(10)**	**(25)**
重估	Revaluation	**(1,751)**	**-**	**-**	**(1,751)**
年度折舊（附註13）	Depreciation for the year (Note 13)	**(1,169)**	**(1,085)**	**(724)**	**(2,978)**
重新分類轉自投資物業（附註26）	Reclassification from investment properties (Note 26)	**56**	**-**	**-**	**56**
轉至其他資產（附註28）	Transfer to other assets (Note 28)	**-**	**(1,808)**	**-**	**(1,808)**
匯兌差額	Exchange difference	**-**	**1**	**5**	**6**
於2020年12月31日之賬面淨值	Net book value at 31 December 2020	**43,249**	**1,560**	**1,695**	**46,504**
於2020年12月31日	At 31 December 2020				
成本值或估值	Cost or valuation	**43,249**	**6,928**	**2,910**	**53,087**
累計折舊及減值	Accumulated depreciation and impairment	**-**	**(5,368)**	**(1,215)**	**(6,583)**
於2020年12月31日之賬面淨值	Net book value at 31 December 2020	**43,249**	**1,560**	**1,695**	**46,504**

上述資產之成本值或估值分析如下： The analysis of cost or valuation of the above assets is as follows:

		房產 Premises	設備、固定設施及裝備 Equipment, fixtures and fittings	使用權資產 Right-of-use assets	總計 Total
於2020年12月31日	At 31 December 2020				
按成本值	At cost	**-**	**6,928**	**2,910**	**9,838**
按估值	At valuation	**43,249**	**-**	**-**	**43,249**
		43,249	**6,928**	**2,910**	**53,087**

賬面淨值為港幣 18.08 億元，成本為港幣 49.82 億元，累計攤銷為港幣 31.74 億元的應用軟件，於 2020 年 12 月 31 日轉為其他資產，並作為無形資產列報。

Application software with net book value of HK$1,808 million, representing cost of HK$4,982 million and accumulated amortisation of HK$3,174 million, was transferred to other assets and presented as intangible assets on 31 December 2020.

財務報表附註（續） Notes to the Financial Statements (continued)

27. 物業、器材及設備（續） 27. Properties, plant and equipment (continued)

		房產 Premises	設備、固定設施及裝備 Equipment, fixtures and fittings	使用權資產 Right-of-use assets	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2019 年 1 月 1 日之賬面淨值	Net book value at 1 January 2019	46,086	2,985	1,700	50,771
增置	Additions	147	1,271	861	2,279
處置	Disposals	-	(8)	-	(8)
重估	Revaluation	1,060	-	-	1,060
年度折舊（附註 13）	Depreciation for the year (Note 13)	(1,153)	(993)	(677)	(2,823)
重新分類轉至投資物業（附註 26）	Reclassification to investment properties (Note 26)	(117)	-	-	(117)
匯兌差額	Exchange difference	1	4	6	11
於 2019 年 12 月 31 日之賬面淨值	Net book value at 31 December 2019	46,024	3,259	1,890	51,173
於 2019 年 12 月 31 日	At 31 December 2019				
成本值或估值	Cost or valuation	46,024	11,313	2,567	59,904
累計折舊及減值	Accumulated depreciation and impairment	-	(8,054)	(677)	(8,731)
於 2019 年 12 月 31 日之賬面淨值	Net book value at 31 December 2019	46,024	3,259	1,890	51,173

上述資產之成本值或估值分析如下： The analysis of cost or valuation of the above assets is as follows:

		Premises	Equipment, fixtures and fittings	Right-of-use assets	Total
於 2019 年 12 月 31 日	At 31 December 2019				
按成本值	At cost	-	11,313	2,567	13,880
按估值	At valuation	46,024	-	-	46,024
		46,024	11,313	2,567	59,904

財務報表附註（續） Notes to the Financial Statements (continued)

27. 物業、器材及設備（續） 27. Properties, plant and equipment (continued)

房產之賬面值按租約剩餘期限分析如下：

The carrying value of premises is analysed based on the remaining terms of the leases as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
在香港持有	Held in Hong Kong		
長期租約（超過 50 年）	On long-term lease (over 50 years)	**12,608**	13,420
中期租約（10 年至 50 年）	On medium-term lease (10 to 50 years)	**30,289**	32,240
在香港以外持有	Held outside Hong Kong		
長期租約（超過 50 年）	On long-term lease (over 50 years)	**75**	75
中期租約（10 年至 50 年）	On medium-term lease (10 to 50 years)	**277**	289
		43,249	46,024

於 2020 年 12 月 31 日，列於資產負債表內之房產，乃依據獨立特許測量師萊坊測量師行有限公司於 2020 年 12 月 31 日以公平值為基準所進行之專業估值。公平值指在計量當日若在有秩序成交的情況下向市場參與者出售每一項房產應取得的價格。

As at 31 December 2020, premises were included in the balance sheet at valuation carried out at 31 December 2020 on the basis of their fair value by an independent firm of chartered surveyors, Knight Frank Petty Limited. The fair value represents the price that would be received to sell each premises in an orderly transaction with market participants at the measurement date.

根據上述之重估結果，房產估值變動確認如下：

As a result of the above-mentioned revaluations, changes in value of the premises were recognised as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
（借記）／貸記收益表之重估（減值）／增值（附註 15）	(Decrease)/increase in valuation (charged)/credited to income statement (Note 15)	**(59)**	6
（借記）／貸記其他全面收益之重估（減值）／增值	(Decrease)/increase in valuation (charged)/credited to other comprehensive income	**(1,692)**	1,054
		(1,751)	1,060

於 2020 年 12 月 31 日，假若房產按成本值扣減累計折舊及減值損失列賬，本集團之資產負債表內之房產賬面淨值應為港幣 87.72 億元（2019 年：港幣 87.46 億元）。

As at 31 December 2020, the net book value of premises that would have been included in the Group's balance sheet had the premises been carried at cost less accumulated depreciation and impairment losses was HK$8,772 million (2019: HK$8,746 million).

28. 其他資產 28. Other assets

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
收回資產	Repossessed assets	**23**	7
貴金屬	Precious metals	**10,697**	9,261
無形資產	Intangible assets	**1,808**	-
應收賬項及預付費用	Accounts receivable and prepayments	**38,067**	32,817
		50,595	42,085

29. 香港特別行政區流通紙幣 29. Hong Kong SAR currency notes in circulation

香港特別行政區流通紙幣由持有之香港特別行政區政府負債證明書之存款基金作擔保。

The Hong Kong SAR currency notes in circulation are secured by deposit of funds in respect of which the Hong Kong SAR Government certificates of indebtedness are held.

30. 以公平值變化計入損益之金融負債 30. Financial liabilities at fair value through profit or loss

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
交易性負債	Trading liabilities		
- 外匯基金票據及債券短盤	- Short positions in Exchange Fund Bills and Notes	**20,336**	19,206

財務報表附註（續） Notes to the Financial Statements (continued)

31. 客戶存款 31. Deposits from customers

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
即期存款及往來存款	Demand deposits and current accounts		
- 公司	- Corporate	**227,116**	141,107
- 個人	- Personal	**87,940**	68,367
		315,056	209,474
儲蓄存款	Savings deposits		
- 公司	- Corporate	**500,057**	401,525
- 個人	- Personal	**649,295**	499,106
		1,149,352	900,631
定期、短期及通知存款	Time, call and notice deposits		
- 公司	- Corporate	**456,318**	518,816
- 個人	- Personal	**269,596**	385,171
		725,914	903,987
		2,190,322	2,014,092

32. 已發行債務證券及存款證 32. Debt securities and certificates of deposit in issue

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
以攤餘成本計量	At amortised cost		
- 存款證	- Certificates of deposit	**233**	116
- 其他債務證券	- Other debt securities	**193**	-
		426	116

33. 其他賬項及準備 33. Other accounts and provisions

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
其他應付賬項	Other accounts payable	**48,745**	64,558
租賃負債	Lease liabilities	**1,683**	1,810
貸款承諾及財務擔保合同減值準備	Impairment allowances on loan commitments and financial guarantee contracts		
- 第一階段	- Stage 1	**594**	535
- 第二階段	- Stage 2	**44**	22
- 第三階段	- Stage 3	**20**	20
		51,086	66,945

34. 遞延稅項 34. Deferred taxation

遞延稅項是根據香港會計準則第12號「所得稅」計算，就資產負債之稅務基礎與其在財務報表內賬面值兩者之暫時性差額及未使用稅項抵免作提撥。

Deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and unused tax credits in accordance with HKAS 12 "Income Taxes".

資產負債表內之遞延稅項（資產）／負債主要組合，以及其在年度內之變動如下：

The major components of deferred tax (assets)/liabilities recorded in the balance sheet, and the movements during the year as follows:

		2020					
		加速折舊免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2020 年 1 月 1 日	At 1 January 2020	**752**	**6,944**	**-**	**(803)**	**(581)**	**6,312**
借記／（貸記）收益表（附註 16）	Charged/(credited) to income statement (Note 16)	**41**	**(141)**	**(15)**	**(349)**	**(48)**	**(512)**
（貸記）／借記其他全面收益	(Credited)/charged to other comprehensive income	**-**	**(292)**	**-**	**-**	**170**	**(122)**
因處置以公平值變化計入其他全面收益之股權工具之轉撥	Release upon disposal of equity instruments at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**(1)**	**(1)**
因贖回界定為以公平值變化計入損益之金融負債之轉撥	Release upon redemption of financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**6**	**6**
於 2020 年 12 月 31 日	At 31 December 2020	**793**	**6,511**	**(15)**	**(1,152)**	**(454)**	**5,683**

財務報表附註（續） Notes to the Financial Statements (continued)

34. 遞延稅項（續） 34. Deferred taxation (continued)

		2019					
		加速折舊免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於2019年1月1日	At 1 January 2019	703	6,940	-	(723)	(1,287)	5,633
借記／（貸記）收益表（附註16）	Charged/(credited) to income statement (Note 16)	49	(126)	-	(80)	11	(146)
借記其他全面收益	Charged to other comprehensive income	-	130	-	-	695	825
於2019年12月31日	At 31 December 2019	752	6,944	-	(803)	(581)	6,312

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將個別法人的遞延稅項資產與遞延稅項負債互相抵銷。下列在資產負債表內列賬之金額，已計入適當抵銷：

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
遞延稅項資產	Deferred tax assets	**(95)**	(63)
遞延稅項負債	Deferred tax liabilities	**5,778**	6,375
		5,683	6,312

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
遞延稅項資產（超過12個月後收回）	Deferred tax assets to be recovered after more than twelve months	**(84)**	(43)
遞延稅項負債（超過12個月後支付）	Deferred tax liabilities to be settled after more than twelve months	**6,195**	6,914
		6,111	6,871

於2020年12月31日，本集團無未確認遞延稅項資產之稅務虧損（2019年：本集團未確認遞延稅項資產之稅務虧損為港幣0.09億元）。按照不同國家／地區的現行稅例，本集團的有關金額無作廢期限。

As at 31 December 2020, the Group has no unrecognised deferred tax assets in respect of tax losses (2019: the Group has not recognised deferred tax assets in respect of tax losses amounting to HK$9 million). All of the amount for the Group has no expiry date under the current tax legislation in different countries/regions.

財務報表附註（續） Notes to the Financial Statements (continued)

35. 後償負債 35. Subordinated liabilities

		2020	2019
		港幣百萬元	港幣百萬元
		HK$'m	HK$'m
後償票據	Subordinated notes		
- 界定為以公平值變化計入損益	- designated at fair value through profit or loss	**-**	12,954

本金總額16.23億美元的上市後償票據，利息每半年支付一次，年利率5.55%，已於2020年2月全數償還。按監管要求可作為二級資本票據之後償負債金額，於附註4.4(B)中列示。2019年12月31日界定為以公平值變化計入損益之後償票據的賬面值比本集團於到期日約定支付予持有人之金額多港幣0.41億元。

Listed subordinated notes with aggregate principal amount of USD1,623 million, interest rate at 5.55% per annum payable semi-annually, has been fully repaid in February 2020. Amounts qualified as Tier 2 capital instruments for regulatory purposes are shown in Note 4.4(B). The carrying amount of subordinated notes designated at fair value through profit or loss as at 31 December 2019 was more than the amount that the Group would be contractually required to pay at maturity to the holders by HK$41 million.

36. 股本 36. Share capital

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
已發行及繳足： 43,042,840,858 股普通股	Issued and fully paid: 43,042,840,858 ordinary shares	**43,043**	43,043

37. 本銀行其他股權工具 37. Other equity instruments of the Bank

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
永續非累積次級額外一級資本票據	Undated non-cumulative subordinated Additional Tier 1 capital securities	**23,476**	23,476

於 2018 年 9 月，中銀香港發行 30.00 億美元的永續非累積次級額外一級資本票據。該資本票據為永續票據，不設固定贖回日，在首五年內不可贖回。其初期票息為每年 5.90%，每半年支付一次，中銀香港有獨有酌情權決定是否取消支付票息。2020 年支付其他股權工具持有者股息為港幣 13.76 億元（2019 年：港幣 13.90 億元）。

In September 2018, BOCHK issued USD3,000 million undated non-cumulative subordinated Additional Tier 1 capital securities. The capital securities are perpetual securities in respect of which there is no fixed redemption date and are not callable within the first 5 years. They have an initial rate of distribution of 5.90% per annum payable semi-annually which may be cancelled at the sole discretion of BOCHK. Dividend paid to other equity instrument holders in 2020 amounted to HK$1,376 million (2019: HK$1,390 million).

財務報表附註（續） Notes to the Financial Statements (continued)

38. 綜合現金流量表附註 38. Notes to consolidated cash flow statement

(a) 經營溢利與除稅前經營現金之流入／（流出）對賬 (a) Reconciliation of operating profit to operating cash inflow/(outflow) before taxation

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
經營溢利	Operating profit	**34,290**	38,910
折舊	Depreciation	**2,978**	2,823
減值準備淨撥備	Net charge of impairment allowances	**2,671**	2,015
折現減值準備回撥	Unwind of discount on impairment allowances	**(8)**	(4)
已撇銷之貸款（扣除收回款額）	Advances written off net of recoveries	**(425)**	(249)
租賃負債之利息支出	Interest expense on lease liabilities	**53**	54
後償負債之變動	Change in subordinated liabilities	**-**	370
原到期日超過 3 個月之在銀行及其他金融機構之結餘及定期存放之變動	Change in balances and placements with banks and other financial institutions with original maturity over three months	**3,800**	9,276
以公平值變化計入損益之金融資產之變動	Change in financial assets at fair value through profit or loss	**10,593**	(4,898)
衍生金融工具之變動	Change in derivative financial instruments	**5,878**	5,809
貸款及其他賬項之變動	Change in advances and other accounts	**(89,443)**	(131,827)
證券投資之變動	Change in investment in securities	**(22,160)**	(198,488)
其他資產之變動	Change in other assets	**(6,721)**	(9,576)
銀行及其他金融機構之存款及結餘之變動	Change in deposits and balances from banks and other financial institutions	**58,584**	(108,864)
以公平值變化計入損益之金融負債之變動	Change in financial liabilities at fair value through profit or loss	**1,130**	3,671
客戶存款之變動	Change in deposits from customers	**176,230**	114,990
已發行債務證券及存款證之變動	Change in debt securities and certificates of deposit in issue	**310**	(9,337)
其他賬項及準備之變動	Change in other accounts and provisions	**(15,825)**	16,861
匯率變動之影響	Effect of changes in exchange rates	**(13,253)**	4,261
除稅前經營現金之流入／（流出）	Operating cash inflow/(outflow) before taxation	**148,682**	(264,203)
經營業務之現金流量中包括	Cash flows from operating activities included		
- 已收利息	- interest received	**48,377**	64,224
- 已付利息	- interest paid	**17,617**	26,180
- 已收股息	- dividend received	**104**	117

財務報表附註（續） Notes to the Financial Statements (continued)

38. 綜合現金流量表附註（續） 38. Notes to consolidated cash flow statement (continued)

(b) 融資業務產生的負債之對賬 (b) Reconciliation of liabilities arising from financing activities

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
後償負債	Subordinated liabilities		
於1月1日	At 1 January	**12,954**	13,246
現金流量：	Cash flows:		
贖回後償負債所付款項	Payment for redemption of subordinated liabilities	**(12,603)**	-
支付後償負債利息	Interest paid for subordinated liabilities	**(350)**	(707)
		(12,953)	(707)
非現金變動：	Non-cash changes:		
自身信貸風險之公平值變化（貸記）／借記其他全面收益	Change in fair value of own credit risk (credited)/charged to other comprehensive income	**(1)**	45
匯兌差額	Exchange difference	**(39)**	(72)
其他變動	Other changes	**39**	442
於12月31日	At 31 December	**-**	12,954

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
租賃負債	Lease liabilities		
於1月1日	At 1 January	**1,810**	1,684
現金流量：	Cash flows:		
支付租賃負債	Payment of lease liabilities	**(692)**	(608)
非現金變動：	Non-cash changes:		
新增	Additions	**522**	680
處置	Disposal	**(10)**	-
其他變動	Other changes	**53**	54
於12月31日	At 31 December	**1,683**	1,810

財務報表附註（續） Notes to the Financial Statements (continued)

38. 綜合現金流量表附註（續） 38. Notes to consolidated cash flow statement (continued)

(c) 現金及等同現金項目結存分析 (c) Analysis of the balances of cash and cash equivalents

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
庫存現金及原到期日在3個月內之在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions with original maturity within three months	**422,933**	322,683
原到期日在3個月內之庫券、存款證及其他債務工具	Treasury bills, certificates of deposit and other debt instruments with original maturity within three months		
- 以公平值變化計入損益之金融資產	- financial assets at fair value through profit or loss	**3,303**	6,627
- 證券投資	- investment in securities	**29,192**	2,149
		455,428	331,459

39. 或然負債及承擔 39. Contingent liabilities and commitments

或然負債及承擔乃參照有關資本充足比率之金管局報表的填報指示而編製，其每項重要類別之合約數額及總信貸風險加權數額概述如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment and the aggregate credit risk-weighted amount and is prepared with reference to the completion instructions for the HKMA return of capital adequacy ratio.

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
直接信貸替代項目	Direct credit substitutes	**2,487**	5,455
與交易有關之或然負債	Transaction-related contingencies	**30,215**	29,080
與貿易有關之或然負債	Trade-related contingencies	**27,830**	27,865
不需事先通知的無條件撤銷之承諾	Commitments that are unconditionally cancellable without prior notice	**514,326**	449,306
其他承擔，原到期日為	Other commitments with an original maturity of		
- 1年或以下	- up to one year	**20,416**	13,772
- 1年以上	- over one year	**174,475**	160,575
		769,749	686,053
信貸風險加權數額	Credit risk-weighted amount	**88,017**	76,911

信貸風險加權數額是根據《銀行業（資本）規則》計算。此數額取決於交易對手之情況及各類合約之期限特性。

The credit risk-weighted amount is calculated in accordance with the Banking (Capital) Rules. The amount is dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

40. 資本承擔 40. Capital commitments

本集團未於財務報表中撥備之資本承擔金額如下：

The Group has the following outstanding capital commitments not provided for in the financial statements:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
已批准及簽約但未撥備	Authorised and contracted for but not provided for	**274**	188
已批准但未簽約	Authorised but not contracted for	**70**	72
		344	260

以上資本承擔大部分為將購入之電腦硬件及軟件，以及本集團之樓宇裝修工程之承擔。

The above capital commitments mainly relate to commitments to purchase computer equipment and software, and to renovate the Group's premises.

41. 經營租賃承擔 41. Operating lease commitments

作為出租人 As lessor

根據不可撤銷之經營租賃合約，下列為本集團與租客簽訂合約之未來有關租賃之最低應收租金：

The Group has contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

		2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
物業及設備	Properties and equipment		
- 不超過 1 年	- Not later than one year	**530**	561
- 1 至 2 年	- One to two years	**323**	394
- 2 至 3 年	- Two to three years	**106**	191
- 3 至 4 年	- Three to four years	**14**	33
- 4 至 5 年	- Four to five years	**10**	1
- 5 年後	- Later than five years	**-**	-
		983	1,180

本集團以經營租賃形式租出投資物業；租賃年期通常由 1 年至 3 年。租約條款一般要求租客提交保證金。於續租約時，因應租務市場之狀況而調整租金。

The Group leases its investment properties under operating lease arrangements, with leases typically for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for rent adjustments according to the prevailing market conditions upon the lease renewal.

42. 訴訟

本集團正面對多項由獨立人士提出的索償及反索償。此等索償及反索償與本集團的正常商業活動有關。

由於董事認為本集團可對申索人作出有力抗辯或預計此等申索所涉及的數額不大，故並未對此等索償及反索償作出重大撥備。

42. Litigation

The Group has been served a number of claims and counterclaims by various independent parties. These claims and counterclaims are in relation to the normal commercial activities of the Group.

No material provision was made against these claims and counterclaims because the directors believe that the Group has meritorious defences against the claimants or the amounts involved in these claims are not expected to be material.

43. 分類報告

43. Segmental reporting

本集團主要按業務分類對業務進行管理，而集團的收入、稅前利潤和資產，超過 90%來自香港。現時集團業務共分為三個業務分類，它們分別是個人銀行業務、企業銀行業務和財資業務。業務線的分類是基於不同客戶層及產品種類，這與集團推行的 RPC（客戶關係、產品及渠道）管理模型是一致的。

The Group manages the business mainly from a business segment perspective and over 90% of the Group's revenues, profits before tax and assets are derived from Hong Kong. Currently, three operating segments are identified: Personal Banking, Corporate Banking and Treasury. The classification of the Group's operating segments is based on customer segment and product type, which is aligned with the RPC (relationship, product and channel) management model of the Group.

個人銀行和企業銀行業務線均會提供全面的銀行服務，包括各類存款、透支、貸款、信用卡、與貿易相關的產品及其他信貸服務、投資及保險產品、外幣業務及衍生產品。個人銀行業務線主要是服務個人及小企客戶，而企業銀行業務線主要是服務公司客戶。至於財資業務線，除了自營買賣外，還負責管理集團的流動資金、利率和外匯敞口。「其他」這一欄，主要包括本集團持有房地產、投資物業、股權投資、若干聯營公司與合資企業權益及東南亞機構業務。

Both Personal Banking and Corporate Banking provide general banking services including various deposit products, overdrafts, loans, credit cards, trade related products and other credit facilities, investment and insurance products, and foreign currency and derivative products. Personal Banking mainly serves retail customers and small enterprises, while Corporate Banking mainly deals with corporate customers. Treasury manages the funding and liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. "Others" mainly represents the Group's holdings of premises, investment properties, equity investments, certain interests in associates and joint ventures and the businesses of the Southeast Asian entities.

業務線的資產、負債、收入、支出、經營成果及資本性支出是基於集團會計政策進行計量。分類資料包括直接屬於該業務線的績效以及可以合理攤分至該業務線的績效。跨業務線資金的定價，按集團內部資金轉移價格機制釐定，主要是以市場利率為基準，並考慮有關產品的特性。

Measurement of segment assets, liabilities, income, expenses, results and capital expenditure is based on the Group's accounting policies. The segment information includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group, which is primarily based on market rates with the consideration of specific features of the product.

本集團的主要收入來源為利息收入，並且高層管理人員主要按淨利息收入來管理業務，因此所有業務分類的利息收入及支出以淨額列示。

As the Group derives a majority of revenue from interest and the senior management relies primarily on net interest income in managing the business, interest income and expense for all reportable segments are presented on a net basis.

財務報表附註（續） Notes to the Financial Statements (continued)

43. 分類報告（續） 43. Segmental reporting (continued)

		個人銀行 Personal Banking 港幣百萬元 HK$'m	企業銀行 Corporate Banking 港幣百萬元 HK$'m	財資業務 Treasury 港幣百萬元 HK$'m	其他 Others 港幣百萬元 HK$'m	小計 Subtotal 港幣百萬元 HK$'m	合併抵銷 Eliminations 港幣百萬元 HK$'m	綜合 Consolidated 港幣百萬元 HK$'m
截至 2020 年 12 月 31 日	**Year ended 31 December 2020**							
淨利息收入／（支出）	Net interest income/(expense)							
- 外來	- External	2,014	14,859	12,623	1,802	31,298	-	31,298
- 跨業務	- Inter-segment	10,955	(1,365)	(8,840)	(750)	-	-	-
		12,969	13,494	3,783	1,052	31,298	-	31,298
淨服務費及佣金收入／（支出）	Net fee and commission income/(expense)	7,092	3,522	(26)	1,240	11,828	(430)	11,398
淨交易性收益	Net trading gain	1,004	1,311	2,012	437	4,764	(1)	4,763
其他以公平值變化計入損益之金融工具淨收益／（虧損）	Net gain/(loss) on other financial instruments at fair value through profit or loss	-	-	160	(3)	157	-	157
其他金融資產之淨收益	Net gain on other financial assets	-	7	4,376	-	4,383	-	4,383
其他經營收入	Other operating income	18	5	76	2,009	2,108	(1,371)	737
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**	21,083	18,339	10,381	4,735	54,538	(1,802)	52,736
減值準備淨撥備	Net charge of impairment allowances	(421)	(1,877)	(87)	(286)	(2,671)	-	(2,671)
淨經營收入	**Net operating income**	20,662	16,462	10,294	4,449	51,867	(1,802)	50,065
經營支出	Operating expenses	(9,684)	(3,427)	(1,160)	(3,306)	(17,577)	1,802	(15,775)
經營溢利	**Operating profit**	10,978	13,035	9,134	1,143	34,290	-	34,290
投資物業處置／公平值調整之淨虧損	Net loss from disposal of/fair value adjustments on investment properties	-	-	-	(1,641)	(1,641)	-	(1,641)
處置／重估物業、器材及設備之淨虧損	Net loss from disposal/revaluation of properties, plant and equipment	(3)	-	-	(60)	(63)	-	(63)
應佔聯營公司及合資企業之稅後業績	Share of results after tax of associates and joint ventures	42	-	-	-	42	-	42
除稅前溢利／（虧損）	**Profit/(loss) before taxation**	11,017	13,035	9,134	(558)	32,628	-	32,628
於 2020 年 12 月 31 日	**At 31 December 2020**							
資產	**ASSETS**							
分部資產	Segment assets	491,213	985,638	1,537,529	156,719	3,171,099	(27,232)	3,143,867
聯營公司及合資企業權益	Interests in associates and joint ventures	603	-	-	60	663	-	663
		491,816	985,638	1,537,529	156,779	3,171,762	(27,232)	3,144,530
負債	**LIABILITIES**							
分部負債	Segment liabilities	1,159,255	1,013,145	601,420	101,384	2,875,204	(27,232)	2,847,972
截至 2020 年 12 月 31 日	**Year ended 31 December 2020**							
其他資料	**Other information**							
資本性支出	Capital expenditure	29	8	-	1,803	1,840	-	1,840
折舊	Depreciation	1,274	281	101	1,345	3,001	(23)	2,978
證券攤銷	Amortisation of securities	-	-	406	170	576	-	576

財務報表附註（續） Notes to the Financial Statements (continued)

43. 分類報告（續） 43. Segmental reporting (continued)

		個人銀行 Personal Banking 港幣百萬元 HK$'m	企業銀行 Corporate Banking 港幣百萬元 HK$'m	財資業務 Treasury 港幣百萬元 HK$'m	其他 Others 港幣百萬元 HK$'m	小計 Subtotal 港幣百萬元 HK$'m	合併抵銷 Eliminations 港幣百萬元 HK$'m	綜合 Consolidated 港幣百萬元 HK$'m
截至2019年12月31日	**Year ended 31 December 2019**							
淨利息收入／（支出）	Net interest income/(expense)							
- 外來	- External	7	16,423	18,551	2,284	37,265	-	37,265
- 跨業務	- Inter-segment	13,300	(1,682)	(9,996)	(1,622)	-	-	-
		13,307	14,741	8,555	662	37,265	-	37,265
淨服務費及佣金收入	Net fee and commission income	7,077	3,939	303	1,149	12,468	(263)	12,205
淨交易性收益	Net trading gain	789	1,389	3,100	371	5,649	-	5,649
其他以公平值變化計入損益之金融工具淨（虧損）／收益	Net (loss)/gain on other financial instruments at fair value through profit or loss	(1)	-	328	1	328	-	328
其他金融資產之淨收益	Net gain on other financial assets	-	17	754	-	771	-	771
其他經營收入	Other operating income	101	2	42	2,023	2,168	(1,337)	831
提取減值準備前之淨經營收入	**Net operating income before impairment allowances**	21,273	20,088	13,082	4,206	58,649	(1,600)	57,049
減值準備淨撥備	Net charge of impairment allowances	(351)	(1,385)	(9)	(270)	(2,015)	-	(2,015)
淨經營收入	**Net operating income**	20,922	18,703	13,073	3,936	56,634	(1,600)	55,034
經營支出	Operating expenses	(9,820)	(3,394)	(1,086)	(3,424)	(17,724)	1,600	(16,124)
經營溢利	**Operating profit**	11,102	15,309	11,987	512	38,910	-	38,910
投資物業處置／公平值調整之淨收益	Net gain from disposal of/fair value adjustments on investment properties	-	-	-	288	288	-	288
處置／重估物業、器材及設備之淨（虧損）／收益	Net (loss)/gain from disposal/ revaluation of properties, plant and equipment	(5)	-	-	4	(1)	-	(1)
應佔聯營公司及合資企業之稅後業績	Share of results after tax of associates and joint ventures	137	-	-	-	137	-	137
除稅前溢利	**Profit before taxation**	11,234	15,309	11,987	804	39,334	-	39,334
於2019年12月31日	**At 31 December 2019**							
資產	**ASSETS**							
分部資產	Segment assets	442,694	947,164	1,353,860	152,718	2,896,436	(22,501)	2,873,935
聯營公司及合資企業權益	Interests in associates and joint ventures	559	-	-	60	619	-	619
		443,253	947,164	1,353,860	152,778	2,897,055	(22,501)	2,874,554
負債	**LIABILITIES**							
分部負債	Segment liabilities	1,079,821	907,381	521,156	106,067	2,614,425	(22,501)	2,591,924
截至2019年12月31日	**Year ended 31 December 2019**							
其他資料	**Other information**							
資本性支出	Capital expenditure	48	4	-	2,262	2,314	-	2,314
折舊	Depreciation	1,205	233	100	1,285	2,823	-	2,823
證券攤銷	Amortisation of securities	-	-	2,547	(33)	2,514	-	2,514

財務報表附註（續） Notes to the Financial Statements (continued)

44. 金融工具之抵銷 44. Offsetting financial instruments

下表列示本集團已抵銷、受執行性淨額結算總協議和類似協議約束的金融工具詳情。

The following tables present details of the Group's financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

		2020					
					未有於資產負債表中抵銷之相關金額 Related amounts not set off in the balance sheet		
		已確認金融資產總額 Gross amounts of recognised financial assets	於資產負債表中抵銷之已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the balance sheet	於資產負債表中列示的金融資產淨額 Net amounts of financial assets presented in the balance sheet	金融工具 Financial instruments	已收取之現金押品 Cash collateral received	淨額 Net amount
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
資產	**Assets**						
衍生金融工具	Derivative financial instruments	35,525	-	35,525	(28,068)	(3,314)	4,143
反向回購協議	Reverse repurchase agreements	1,284	-	1,284	(1,284)	-	-
借入證券協議	Securities borrowing agreements	3,300	-	3,300	(3,300)	-	-
其他資產	Other assets	19,737	(14,300)	5,437	-	-	5,437
		59,846	(14,300)	45,546	(32,652)	(3,314)	9,580

		2020					
					未有於資產負債表中抵銷之相關金額 Related amounts not set off in the balance sheet		
		已確認金融負債總額 Gross amounts of recognised financial liabilities	於資產負債表中抵銷之已確認金融資產總額 Gross amounts of recognised financial assets set off in the balance sheet	於資產負債表中列示的金融負債淨額 Net amounts of financial liabilities presented in the balance sheet	金融工具 Financial instruments	已抵押之現金押品 Cash collateral pledged	淨額 Net amount
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**						
衍生金融工具	Derivative financial instruments	48,847	-	48,847	(28,068)	(16,858)	3,921
回購協議	Repurchase agreements	210	-	210	(210)	-	-
其他負債	Other liabilities	15,454	(14,300)	1,154	-	-	1,154
		64,511	(14,300)	50,211	(28,278)	(16,858)	5,075

財務報表附註（續） Notes to the Financial Statements (continued)

44. 金融工具之抵銷（續） 44. Offsetting financial instruments (continued)

		2019					
		已確認金融資產總額 Gross amounts of recognised financial assets	於資產負債表中抵銷之已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the balance sheet	於資產負債表中列示的金融資產淨額 Net amounts of financial assets presented in the balance sheet	未有於資產負債表中抵銷之相關金額 Related amounts not set off in the balance sheet		淨額 Net amount
					金融工具 Financial instruments	已收取之現金押品 Cash collateral received	
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
資產	**Assets**						
衍生金融工具	Derivative financial instruments	31,135	-	31,135	(22,120)	(2,380)	6,635
反向回購協議	Reverse repurchase agreements	3,138	-	3,138	(3,138)	-	-
借入證券協議	Securities borrowing agreements	2,900	-	2,900	(2,900)	-	-
其他資產	Other assets	12,622	(11,547)	1,075	-	-	1,075
		49,795	(11,547)	38,248	(28,158)	(2,380)	7,710

		2019					
		已確認金融負債總額 Gross amounts of recognised financial liabilities	於資產負債表中抵銷之已確認金融資產總額 Gross amounts of recognised financial assets set off in the balance sheet	於資產負債表中列示的金融負債淨額 Net amounts of financial liabilities presented in the balance sheet	未有於資產負債表中抵銷之相關金額 Related amounts not set off in the balance sheet		淨額 Net amount
					金融工具 Financial instruments	已抵押之現金押品 Cash collateral pledged	
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
負債	**Liabilities**						
衍生金融工具	Derivative financial instruments	32,660	-	32,660	(22,120)	(7,105)	3,435
回購協議	Repurchase agreements	562	-	562	(562)	-	-
其他負債	Other liabilities	13,427	(11,547)	1,880	-	-	1,880
		46,649	(11,547)	35,102	(22,682)	(7,105)	5,315

按本集團簽訂有關場外衍生工具、售後回購及證券借出借入交易的淨額結算總協議，倘若發生違約或其他事先議定的事件，則同一交易對手之相關金額可採用淨額結算。

For master netting agreements of OTC derivative, sale and repurchase and securities lending and borrowing transactions entered into by the Group, related amounts with the same counterparty can be offset if an event of default or other predetermined events occur.

財務報表附註（續） Notes to the Financial Statements (continued)

45. 已抵押資產

於 2020 年 12 月 31 日，本集團之負債港幣 152.93 億元（2019 年：港幣 158.62 億元）是以存放於中央保管系統以便利結算之資產作抵押。此外，本集團通過售後回購協議的債務證券抵押之負債為港幣 2.10 億元（2019 年：港幣 605.62 億元）。本集團為擔保此等負債而質押之資產金額為港幣 155.70 億元（2019 年：港幣 766.56 億元），並主要於「以公平值變化計入損益之金融資產」及「證券投資」內列賬。

45. Assets pledged as security

As at 31 December 2020, the liabilities of the Group amounting to HK$15,293 million (2019: HK$15,862 million) were secured by assets deposited with central depositories to facilitate settlement operations. In addition, the liabilities of the Group amounting to HK$210 million (2019: HK$60,562 million) were secured by debt securities related to sale and repurchase arrangements. The amount of assets pledged by the Group to secure these liabilities was HK$15,570 million (2019: HK$76,656 million) mainly included in "Financial assets at fair value through profit or loss" and "Investment in securities".

46. 金融資產轉移

以下為本集團不符合終止確認條件之已轉移金融資產，包括交易對手持有作為售後回購協議抵押品的債務證券。

46. Transfers of financial assets

The transferred financial assets of the Group below that do not qualify for derecognition are debt securities held by counterparties as collateral under sale and repurchase agreements.

	2020		2019	
	已轉移資產賬面值 Carrying amount of transferred assets	**相關負債賬面值 Carrying amount of associated liabilities**	已轉移資產賬面值 Carrying amount of transferred assets	相關負債賬面值 Carrying amount of associated liabilities
	港幣百萬元 HK$'m	**港幣百萬元 HK$'m**	港幣百萬元 HK$'m	港幣百萬元 HK$'m
回購協議 Repurchase agreements	**231**	**210**	590	562

47. 董事貸款

根據香港《公司條例》第 383 條及《公司（披露董事利益資料）規例》第三部的規定，向本銀行董事提供之貸款詳情如下：

47. Loans to directors

Particulars of loans made to directors of the Bank pursuant to section 383 of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2020	2019
	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於年末尚未償還之有關交易總額 Aggregate amount of relevant transactions outstanding at year end	**-**	-
於年內未償還有關交易之最高總額 Maximum aggregate amount of relevant transactions outstanding during the year	**-**	-

48. 主要之有關連人士交易 48. Significant related party transactions

中華人民共和國國務院通過中國投資有限責任公司(「中投」)、其全資附屬公司中央匯金投資有限責任公司(「匯金」)及匯金擁有控制權益之中國銀行，對本集團實行控制。	The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation ("CIC"), its wholly-owned subsidiary Central Huijin Investment Ltd. ("Central Huijin"), and BOC in which Central Huijin has controlling equity interests.
(a) 與母公司及母公司控制之其他公司進行的交易	**(a) Transactions with the parent companies and the other companies controlled by the parent companies**
母公司的基本資料：	General information of the parent companies:
本集團受中國銀行控制。匯金是中國銀行之控股公司，亦是中投的全資附屬公司，而中投是從事外匯資金投資管理業務的國有獨資公司。	The Group is controlled by BOC. Central Huijin is the controlling entity of BOC, and it is a wholly-owned subsidiary of CIC which is a wholly state-owned company engaging in foreign currency investment management.
匯金於某些內地實體均擁有控制權益。	Central Huijin has controlling equity interests in certain other entities in the PRC.
本集團在正常業務中與此等實體進行銀行業務交易，包括貸款、證券投資及貨幣市場交易。	The Group enters into banking transactions with these entities in the normal course of business which include loans, investment securities and money market transactions.
大部分與中國銀行進行的交易源自貨幣市場活動。於 2020 年 12 月 31 日，本集團相關應收及應付中國銀行款項總額分別為港幣 1,887.80 億元（2019 年：港幣 980.43 億元）及港幣 1,103.89 億元（2019 年：港幣 569.95 億元）。截至 2020 年 12 月 31 日止年度，與中國銀行敍做此類業務過程中產生的收入及支出總額分別為港幣 10.37 億元（2019 年：港幣 19.71 億元）及港幣 1.57 億元（2019 年：港幣 4.78 億元）。	The majority of transactions with BOC arise from money market activities. As at 31 December 2020, the related aggregate amounts due from and to BOC of the Group were HK$188,780 million (2019: HK$98,043 million) and HK$110,389 million (2019: HK$56,995 million) respectively. The aggregate amounts of income and expenses of the Group arising from these transactions with BOC for the year ended 31 December 2020 were HK$1,037 million (2019: HK$1,971 million) and HK$157 million (2019: HK$478 million) respectively.
與中國銀行控制之其他公司並無重大交易。	Transactions with other companies controlled by BOC are not considered material.

48. 主要之有關連人士交易（續） 48. Significant related party transactions (continued)

(b) 與政府機構、代理機構、附屬機構及其他國有控制實體的交易

中華人民共和國國務院通過中投及匯金對本集團實施控制，而中華人民共和國國務院亦通過政府機構、代理機構、附屬機構及其他國有控制實體直接或間接控制大量其他實體。本集團按一般商業條款與政府機構、代理機構、附屬機構及其他國有控制實體進行常規銀行業務交易。

這些交易包括但不局限於下列各項：

- 借貸、提供授信及擔保和接受存款；
- 銀行同業之存放及結餘；
- 出售、購買、包銷及贖回由其他國有控制實體所發行之債券；
- 提供外匯、匯款及相關投資服務；
- 提供信託業務；及
- 購買公共事業、交通工具、電信及郵政服務。

(b) Transactions with government authorities, agencies, affiliates and other state controlled entities

The Group is subject to the control of the State Council of the PRC Government through CIC and Central Huijin, which also directly or indirectly controls a significant number of entities through its government authorities, agencies, affiliates and other state controlled entities. The Group enters into banking transactions with government authorities, agencies, affiliates and other state controlled entities in the normal course of business at commercial terms.

These transactions include, but are not limited to, the following:

- lending, provision of credits and guarantees, and deposit taking;
- inter-bank balance taking and placing;
- sales, purchases, underwriting and redemption of bonds issued by other state controlled entities;
- rendering of foreign exchange, remittance and investment related services;
- provision of fiduciary activities; and
- purchase of utilities, transport, telecommunication and postage services.

48. 主要之有關連人士交易（續） 48. Significant related party transactions (continued)

(c) 與聯營公司、合資企業及其他有關連人士在正常業務範圍內進行之交易摘要

(c) Summary of transactions entered into during the ordinary course of business with associates, joint ventures and other related parties

與本集團之聯營公司、合資企業及其他有關連人士達成之有關連人士交易所產生之總收入／支出及結餘概述如下：

The aggregate income/expenses and balances arising from related party transactions with associates, joint ventures and other related parties of the Group are summarised as follows:

		2020	2019
		港幣百萬元	港幣百萬元
		HK$'m	HK$'m
收益表項目	Income statement items		
聯營公司及合資企業	Associates and joint ventures		
- 利息支出	- Interest expenses	**1**	-
- 服務費及佣金支出	- Fee and commission expenses	**-**	6
- 其他經營支出	- Other operating expenses	**80**	84
其他有關連人士	Other related parties		
- 服務費及佣金收入	- Fee and commission income	**12**	11
資產負債表項目	Balance sheet item		
聯營公司及合資企業	Associates and joint ventures		
- 客戶存款	- Deposits from customers	**124**	-
- 其他賬項及準備	- Other accounts and provisions	**7**	1

48. 主要之有關連人士交易（續） 48. Significant related party transactions (continued)

(d) 主要高層人員 (d) Key management personnel

主要高層人員是指某些能直接或間接擁有權力及責任來計劃、指導及掌管集團業務之人士，包括董事及高層管理人員。本集團在正常業務中會接受主要高層人員存款及向其提供貸款及信貸融資。於本年及去年，本集團並沒有與本銀行及其控股公司之主要高層人員或其有關連人士進行重大交易。

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior management. The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During both the current and prior years, no material transaction was conducted with key management personnel of the Bank and its holding companies, as well as parties related to them.

主要高層人員截至 12 月 31 日止年度之薪酬如下：

The compensation of key management personnel for the year ended 31 December is detailed as follows:

		2020	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
薪酬及其他短期員工福利	Salaries and other short-term employee Benefits	**55**	53

(e) 與附屬公司的結餘 (e) Balances with subsidiaries

於2020年12月31日，本銀行在日常業務過程中按一般商業條款進行交易產生的應收及應付附屬公司款項總額分別為港幣115.69億元（2019年：港幣 109.63 億元）及港幣29.05億元（2019年：港幣22.19億元）。

As at 31 December 2020, the aggregate sums of amounts due from subsidiaries and amounts due to subsidiaries of the Bank arising from transactions entered into during the normal course of business at commercial terms are HK$11,569 million (2019: HK$10,963 million) and HK$2,905 million (2019: HK$2,219 million) respectively.

49. 國際債權 49. International claims

以下分析乃參照有關國際銀行業統計之金管局報表的填報指示而編製。國際債權按照交易對手所在地計入風險轉移後以交易對手之最終風險承擔的地域分佈，其總和包括所有貨幣之跨地域債權及本地之外幣債權。若債權之擔保人所在地與交易對手所在地不同，則風險將轉移至擔保人之所在地。若債權屬銀行之海外分行，其風險將會轉移至該銀行之總行所在地。

The below analysis is prepared with reference to the completion instructions for the HKMA return of international banking statistics. International claims are exposures to counterparties on which the ultimate risk lies based on the locations of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. For a claim guaranteed by a party situated in a location different from the counterparty, the risk will be transferred to the location of the guarantor. For a claim on an overseas branch of a bank whose head office is located in another location, the risk will be transferred to the location where its head office is located.

本集團的個別國家／地區其已計及風險轉移後佔國際債權總額 10%或以上之債權如下：

Claims on individual countries/regions, after risk transfer, amounting to 10% or more of the aggregate international claims of the Group are shown as follows:

		2020				
				非銀行私人機構 **Non-bank private sector**		
		銀行 **Banks**	官方機構 **Official sector**	非銀行金融機構 **Non-bank financial institutions**	非金融私人機構 **Non-financial private sector**	總計 **Total**
		港幣百萬元 **HK$'m**	港幣百萬元 **HK$'m**	港幣百萬元 **HK$'m**	港幣百萬元 **HK$'m**	港幣百萬元 **HK$'m**
中國內地	Chinese Mainland	**376,937**	**130,889**	**14,873**	**128,333**	**651,032**
香港	Hong Kong	**6,982**	**78**	**36,661**	**331,717**	**375,438**
日本	Japan	**5,377**	**155,963**	**888**	**3,735**	**165,963**
美國	United States	**2,590**	**135,997**	**16,574**	**17,066**	**172,227**

		2019				
				非銀行私人機構 Non-bank private sector		
		銀行 Banks	官方機構 Official sector	非銀行金融機構 Non-bank financial institutions	非金融私人機構 Non-financial private sector	總計 Total
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
中國內地	Chinese Mainland	284,001	108,716	14,599	136,156	543,472
香港	Hong Kong	6,718	96	36,143	352,962	395,919
日本	Japan	10,331	118,215	997	3,243	132,786
美國	United States	11,718	106,473	22,721	17,426	158,338

50. 非銀行的內地風險承擔 50. Non-bank Mainland exposures

對非銀行交易對手的內地相關風險承擔之分析乃參照有關內地業務之金管局報表的填報指示所列之機構類別及直接風險類別分類。此報表僅計及中銀香港的香港辦事處之內地風險承擔。

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the types of direct exposures with reference to the completion instructions for the HKMA return of Mainland activities, which includes the Mainland exposures extended by BOCHK's Hong Kong office only.

			2020		
		金管局報表項目 Items in the HKMA return	資產負債表內的風險承擔 On-balance sheet exposure 港幣百萬元 HK$'m	資產負債表外的風險承擔 Off-balance sheet exposure 港幣百萬元 HK$'m	總風險承擔 Total exposure 港幣百萬元 HK$'m
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	349,405	36,110	385,515
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	69,104	11,230	80,334
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	109,921	23,386	133,307
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	32,628	4,765	37,393
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	1,002	-	1,002
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	83,664	8,477	92,141
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	1,849	10	1,859
總計	Total	8	647,573	83,978	731,551
扣減準備金後的資產總額	Total assets after provision	9	3,067,224		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	21.11%		

財務報表附註（續） Notes to the Financial Statements (continued)

50. 非銀行的內地風險承擔（續） 50. Non-bank Mainland exposures (continued)

			2019		
		金管局報表項目 Items in the HKMA return	資產負債表內的風險承擔 On-balance sheet exposure	資產負債表外的風險承擔 Off-balance sheet exposure	總風險承擔 Total exposure
			港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	310,795	43,519	354,314
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	65,697	13,247	78,944
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	102,300	21,580	123,880
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	32,086	3,735	35,821
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	500	2	502
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	80,635	13,988	94,623
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	1,770	-	1,770
總計	Total	8	593,783	96,071	689,854
扣減準備金後的資產總額	Total assets after provision	9	2,800,915		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	21.20%		

財務報表附註（續） Notes to the Financial Statements (continued)

51. 資產負債表及權益變動表 51. Balance sheet and statement of changes in equity

(a) 資產負債表 (a) Balance sheet

於12月31日	As at 31 December	2020 港幣百萬元 HK$'m	2019 港幣百萬元 HK$'m
資產	**ASSETS**		
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	**459,069**	359,946
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	**35,290**	49,189
衍生金融工具	Derivative financial instruments	**52,772**	31,164
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	**189,550**	163,840
貸款及其他賬項	Advances and other accounts	**1,470,216**	1,383,685
證券投資	Investment in securities	**781,300**	732,101
附屬公司權益	Interests in subsidiaries	**8,709**	8,713
聯營公司及合資企業權益	Interests in associates and joint ventures	**8**	8
投資物業	Investment properties	**19,510**	21,633
物業、器材及設備	Properties, plant and equipment	**44,799**	49,033
遞延稅項資產	Deferred tax assets	**29**	22
其他資產	Other assets	**49,841**	41,135
資產總額	Total assets	**3,111,093**	2,840,469
負債	**LIABILITIES**		
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	**189,550**	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	**323,149**	264,282
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	**20,336**	19,206
衍生金融工具	Derivative financial instruments	**60,317**	32,829
客戶存款	Deposits from customers	**2,165,742**	1,989,108
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	**426**	116
其他賬項及準備	Other accounts and provisions	**48,042**	63,656
應付稅項負債	Current tax liabilities	**3,848**	7,794
遞延稅項負債	Deferred tax liabilities	**5,372**	5,925
後償負債	Subordinated liabilities	**-**	12,954
負債總額	Total liabilities	**2,816,782**	2,559,710

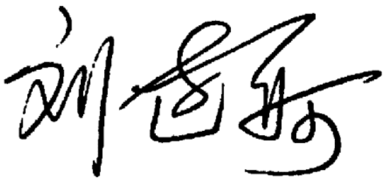
51. 資產負債表及權益變動表（續） 51. Balance sheet and statement of changes in equity (continued)

(a) 資產負債表（續） (a) Balance sheet (continued)

於 12 月 31 日	As at 31 December	**2020**	2019
		港幣百萬元 HK$'m	港幣百萬元 HK$'m
資本	**EQUITY**		
股本	Share capital	**43,043**	43,043
儲備	Reserves	**227,792**	214,240
本銀行股東應佔股本和儲備	Capital and reserves attributable to equity holders of the Bank	**270,835**	257,283
本銀行其他股權工具	Other equity instruments of the Bank	**23,476**	23,476
資本總額	Total equity	**294,311**	280,759
負債及資本總額	Total liabilities and equity	**3,111,093**	2,840,469

經董事會於 2021 年 3 月 30 日通過核准並由以下人士代表簽署：

Approved by the Board of Directors on 30 March 2021 and signed on behalf of the Board by:



劉連舸	**LIU Liange**	**孫煜**	**SUN Yu**
董事	Director	董事	Director

財務報表附註（續） Notes to the Financial Statements (continued)

51. 資產負債表及權益變動表（續） 51. Balance sheet and statement of changes in equity (continued)

(b) 權益變動表 (b) Statement of changes in equity

			儲備 Reserves									
		股本 Share capital	房產重估儲備 Premises revaluation reserve	公平值變動儲備 Reserve for fair value changes	自身信貸風險儲備 Reserve for own credit risk	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	其他股權工具 Other equity instruments	資本總額 Total equity
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於 2019 年 1 月 1 日	At 1 January 2019	43,043	35,607	(2,229)	5	10,433	(404)	350	155,342	242,147	23,476	265,623
年度溢利	Profit for the year	-	-	-	-	-	-	-	32,829	32,829	-	32,829
其他全面收益：	Other comprehensive income:											
房產	Premises	-	842	-	-	-	-	-	-	842	-	842
以公平值變化計入其他全面收益之股權工具	Equity instruments at fair value through other comprehensive income	-	-	343	-	-	-	-	-	343	-	343
自身信貸風險	Own credit risk	-	-	-	(38)	-	-	-	-	(38)	-	(38)
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	3,704	-	-	-	-	-	3,704	-	3,704
貨幣換算差額	Currency translation difference	-	-	10	-	-	52	-	-	62	-	62
全面收益總額	Total comprehensive income	-	842	4,057	(38)	-	52	-	32,829	37,742	-	37,742
因處置以公平值變化計入其他全面收益之股權工具之轉撥：	Release upon disposal of equity instruments at fair value through other comprehensive income:											
轉撥	Transfer	-	-	1	-	-	-	-	(1)	-	-	-
遞延稅項	Deferred tax	-	-	-	-	-	-	-	-	-	-	-
應付稅項	Current tax	-	-	-	-	-	-	-	-	-	-	-
收購受共同控制之實體	Acquisition of entity under common control	-	-	-	-	-	-	(728)	-	(728)	-	(728)
轉撥自留存盈利	Transfer from retained earnings	-	-	-	-	574	-	378	(952)	-	-	-
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	-	-	-	-	-	-	-	(1,390)	(1,390)	-	(1,390)
股息	Dividends	-	-	-	-	-	-	-	(20,488)	(20,488)	-	(20,488)
於 2019 年 12 月 31 日	At 31 December 2019	43,043	36,449	1,829	(33)	11,007	(352)	-	165,340	257,283	23,476	280,759

財務報表附註（續） Notes to the Financial Statements (continued)

51. 資產負債表及權益變動表（續） 51. Balance sheet and statement of changes in equity (continued)

(b) 權益變動表（續） (b) Statement of changes in equity (continued)

		股本 Share capital	房產重估儲備 Premises revaluation reserve	公平值變動儲備 Reserve for fair value changes	自身信貸風險儲備 Reserve for own credit risk	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	其他股權工具 Other equity instruments	資本總額 Total equity
			儲備 Reserves									
		港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m	港幣百萬元 HK$'m
於2020年1月1日	At 1 January 2020	43,043	36,449	1,829	(33)	11,007	(352)	-	165,340	257,283	23,476	280,759
年度溢利	Profit for the year	-	-	-	-	-	-	-	27,037	27,037	-	27,037
其他全面收益：	Other comprehensive income:											
房產	Premises	-	(1,386)	-	-	-	-	-	-	(1,386)	-	(1,386)
以公平值變化計入其他全面收益之股權工具	Equity instruments at fair value through other comprehensive income	-	-	274	-	-	-	-	-	274	-	274
自身信貸風險	Own credit risk	-	-	-	1	-	-	-	-	1	-	1
以公平值變化計入其他全面收益之債務工具	Debt instruments at fair value through other comprehensive income	-	-	1,046	-	-	-	-	-	1,046	-	1,046
貨幣換算差額	Currency translation difference	-	-	62	-	-	32	-	-	94	-	94
全面收益總額	Total comprehensive income	-	(1,386)	1,382	1	-	32	-	27,037	27,066	-	27,066
因處置以公平值變化計入其他全面收益之股權工具之轉撥：	Release upon disposal of equity instruments at fair value through other comprehensive income:											
轉撥	Transfer	-	-	(7)	-	-	-	-	7	-	-	-
遞延稅項	Deferred tax	-	-	1	-	-	-	-	-	1	-	1
應付稅項	Current tax	-	-	-	-	-	-	-	(1)	(1)	-	(1)
因贖回界定為以公平值變化計入損益之金融負債之轉撥：	Release upon redemption of financial liabilities designated at fair value through profit or loss:											
轉撥	Transfer	-	-	-	38	-	-	-	(38)	-	-	-
遞延稅項	Deferred tax	-	-	-	(6)	-	-	-	-	(6)	-	(6)
應付稅項	Current tax	-	-	-	-	-	-	-	6	6	-	6
轉撥至留存盈利	Transfer to retained earnings	-	-	-	-	(6,261)	-	-	6,261	-	-	-
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	-	-	-	-	-	-	-	(1,376)	(1,376)	-	(1,376)
股息	Dividends	-	-	-	-	-	-	-	(12,138)	(12,138)	-	(12,138)
於2020年12月31日	At 31 December 2020	43,043	35,063	3,205	-	4,746	(320)	-	185,098	270,835	23,476	294,311

* 除按香港財務報告準則第9號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至監管儲備作銀行一般風險之用（包括未來損失或其他不可預期風險）。

* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKFRS 9.

** 合併儲備乃因合併受共同控制之實體而採用合併會計處理而產生。

** Merger reserve was arising on the application of merger accounting method in relation to the combination with entity under common control.

財務報表附註（續） Notes to the Financial Statements (continued)

52. 主要附屬公司 52. Principal subsidiaries

本銀行所有直接及間接附屬公司之詳情載於「附錄－本銀行之附屬公司」。於 2020 年 12 月 31 日之主要附屬公司列示如下：

The particulars of all direct and indirect subsidiaries of the Bank are set out in “Appendix – Subsidiaries of the Bank”. The following is a list of principal subsidiaries as at 31 December 2020:

名稱 Name	註冊及營業地點 Place of incorporation and operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀信用卡（國際）有限公司 BOC Credit Card (International) Limited	香港 Hong Kong	565,000,000 港元 HK$565,000,000	100%	信用卡服務 Credit card services
馬來西亞中國銀行 Bank of China (Malaysia) Berhad	馬來西亞 Malaysia	760,518,480 馬來西亞林吉特 RM760,518,480	100%	銀行業務 Banking business
中國銀行（泰國）股份有限公司 Bank of China (Thai) Public Company Limited	泰國 Thailand	10,000,000,000 泰銖 Baht10,000,000,000	#100%	銀行業務 Banking business
寶生證券及期貨有限公司 Po Sang Securities and Futures Limited	香港 Hong Kong	335,000,000 港元 HK$335,000,000	*100%	證券及期貨業務 Securities and futures brokerage

本銀行直接持有 99.99%股份及間接持有 0.01%股份。

99.99% of the shares held directly and 0.01% of the shares held indirectly by the Bank.

* 本銀行間接持有股份

* Shares held indirectly by the Bank

53. 最終控股公司

中華人民共和國國務院通過中國投資有限責任公司、其全資附屬公司中央匯金投資有限責任公司（「匯金」）及匯金擁有控制權益之中國銀行，對本集團實行控制。

53. Ultimate holding company

The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation, its wholly-owned subsidiary Central Huijin Investment Ltd. (“Central Huijin”), and BOC in which Central Huijin has controlling equity interests.

54. 財務報表核准

本財務報表於 2021 年 3 月 30 日經董事會通過及核准發佈。

54. Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2021.

未經審計之補充財務資料

Unaudited Supplementary Financial Information

1. 監管披露

1. Regulatory Disclosures

監管披露連同本年報內之披露，已載列金管局頒佈之《銀行業（披露）規則》及《金融機構（處置機制）（吸收虧損能力規定－銀行界）規則》要求的所有披露。監管披露可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The Regulatory Disclosures, together with the disclosures in this Annual Report, contained all the disclosures required by the Banking (Disclosure) Rules and Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules issued by the HKMA. The Regulatory Disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

本年報及監管披露乃按照本集團之財務披露政策編製。財務披露政策建立一個健全的機制，在合法合規的情況下，披露本集團的財務信息，並釐訂財務披露的原則及內部監控措施，確保財務披露的及時性、公平性、準確性、真實性、完整性和合規性。

This Annual Report and the Regulatory Disclosures are prepared according to the Group's disclosure policy. The disclosure policy sets out a robust mechanism for the Group's disclosures of financial information on a legitimate and compliant basis. It depicts the principles and internal control measures to ensure the timeliness, fairness, accuracy, integrity, completeness and legitimacy of financial disclosures.

2. 風險管理

2. Risk management

總覽

Overview

本集團深信良好的風險管理是企業成功的重要元素。在日常經營中，本集團高度重視風險管理，並強調風險控制與業務發展之間必須取得平衡。本集團業務的主要內在風險包括信貸風險、市場風險、利率風險、流動資金風險、操作風險、信譽風險、法律及合規風險及策略風險。本集團的風險管理目標是在提高股東價值的同時，確保風險控制在可接受的水平之內。本集團設有經董事會審批的風險偏好陳述，表達本集團在風險可控的前提下所願意承擔的風險類型與程度，以實現業務發展目標和達到利益相關者的期望。有關本集團風險管理管治架構的詳細資料，請見財務報表附註4。

The Group believes that sound risk management is crucial to the success of any organisation. In its daily operation, the Group attaches a high degree of importance to risk management and emphasises that a balance must be struck between risk control and business development. The principal types of risk inherent in the Group's businesses are credit risk, market risk, interest rate risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits. The Group has a defined risk appetite statement approved by the Board, which is an expression of the types and level of risk that the Group is willing to take in a controllable way in order to achieve its business goals and to meet the expectations of its stakeholders. For details of the Group's risk management governance structure, please refer to Note 4 to the Financial Statements.

2. 風險管理（續）

2. Risk management (continued)

信貸風險管理

信貸風險指因客戶或交易對手未能或不願意履行償債責任而造成損失的風險。本集團的交易賬和銀行賬、以及資產負債表內和表外之交易均存在這種風險。信貸風險主要來自借貸、貿易融資及資金業務。有關本集團信貸風險管理之詳細資料，請見財務報表附註4.1。

Credit risk management

Credit risk is the risk of loss that a customer or counterparty is unable to or unwilling to meet its contractual obligations. Credit risk exists in the trading book and banking book, as well as from on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses. For details of the Group's Credit Risk Management, please refer to Note 4.1 to the Financial Statements.

市場風險管理

市場風險是指因金融市場價格（匯率、利率、股票價格、商品價格）波動導致銀行外匯、利率、股票和商品持倉值出現變化而可能給本集團帶來的損失。本集團採取適中的市場風險偏好，實現風險與收益的平衡。有關本集團市場風險管理之詳細資料，請見財務報表附註4.2。

Market risk management

Market risk refers to the risk of loss arising from movements in the value of foreign exchange, interest rate, equity and commodity positions held by the Group due to the volatility of financial market price (foreign exchange rate, interest rate, equity price, commodity price). The Group adopts a moderate market risk appetite to achieve a balance between risk and return. For details of the Group's Market Risk Management, please refer to Note 4.2 to the Financial Statements.

未經審計之補充財務資料（續）

Unaudited Supplementary Financial Information (continued)

2. 風險管理（續）

2. Risk management (continued)

市場風險管理（續）

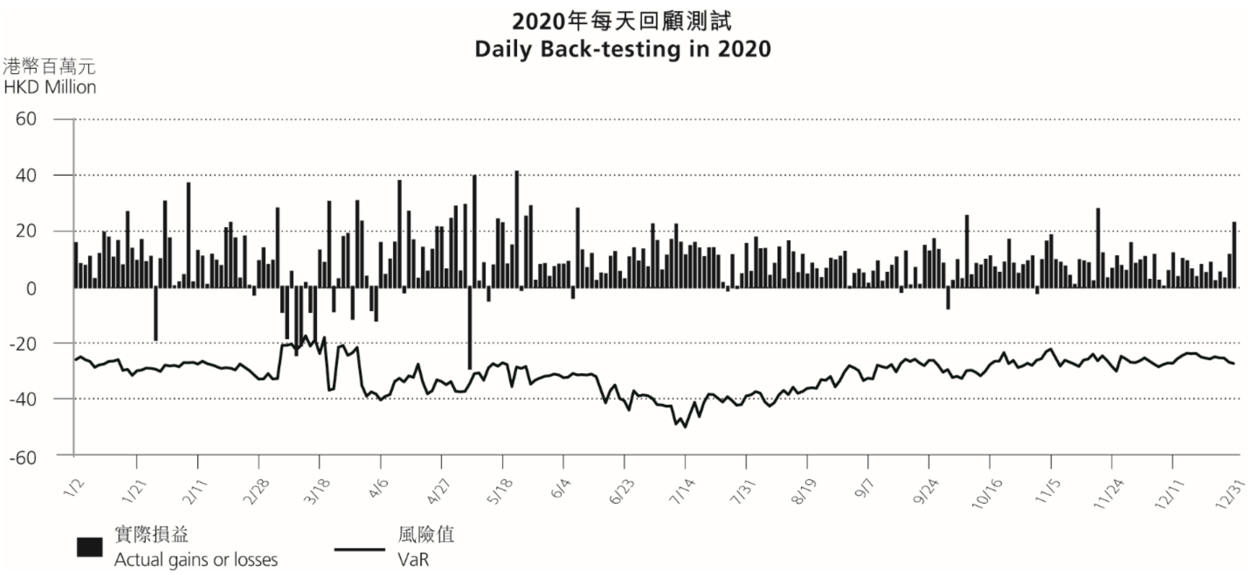
本集團採用風險值量度一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去2年歷史市場數據為參照，計算99%置信水平下及1天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

本集團採用回顧測試衡量風險值模型計量結果的準確性。回顧測試是將每一交易日市場風險持倉的風險值數字與下一個交易日從這些持倉得到的實際及假設損益作出比較。一般而言，在99%置信水平下，在連續12個月內的例外情況應該不超過4次。下圖列示本集團風險值與實際損益比較之回顧測試結果。

Market risk management (continued)

The Group uses the VaR to measure and report general market risks to the Risk Committee (“RMC”) and senior management on a periodic basis. The Group adopts a uniformed VaR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VaR of the Group and its subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VaR limit of the Group and its subsidiaries.

The Group adopts back-testing to measure the accuracy of VaR model results. The back-testing compares the calculated VaR figure of market risk positions of each business day with the actual and hypothetical gains or losses arising from those positions on the next business day. Generally speaking, the number of back-testing exceptions in a rolling 12-month period will not exceed four times, given a 99% confidence level. The graph below shows the back-testing result of the VaR against actual gains or losses of the Group.



2020年內回顧測試結果顯示，本集團出現2次實際交易損失超過風險值的情況。主要原因是2020年3月份市場大幅波動，模型未能預測市場走勢。

There were two actual losses exceeding the VaR for the Group in 2020 as shown in the back-testing results. It was mainly due to unexpectedly high market volatility in March 2020 that the model failed to predict.

未經審計之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

2. 風險管理（續） 2. Risk management (continued)

利率風險管理

利率風險是指因利率水平、資產負債期限結構等要素發生變動而可能導致銀行整體收益和經濟價值承受損失的風險。本集團的利率風險承擔主要來自結構性持倉。結構性持倉的主要利率風險類別為利率重訂風險、利率基準風險及期權風險。有關本集團利率風險管理之詳細資料，請見財務報表附註4.2。

Interest rate risk management

Interest rate risk means the risks to a bank's earnings and economic value arising from movements in interest rate and term structures of the bank's asset and liability positions. The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are gap risk, basis risk and option risk. For details of the Group's Interest Rate Risk Management, please refer to Note 4.2 to the Financial Statements.

流動資金風險管理

流動資金風險是指銀行無法以合理成本及時獲得充足資金，履行到期義務的風險。本集團遵循穩健的流動資金風險偏好，確保在正常情況及壓力情景下均有能力提供穩定、可靠和足夠的現金來源，滿足流動資金需求。有關本集團流動資金風險管理之詳細資料，請見財務報表附註 4.3。

Liquidity risk management

Liquidity risk is the risk that banks may not be able to obtain sufficient and timely funding at a reasonable cost to meet their obligations as they fall due. The Group maintains a sound liquidity risk appetite to provide stable, reliable and adequate sources of cash to meet liquidity needs under normal circumstances and stressed scenarios. For details of the Group's Liquidity Risk Management, please refer to Note 4.3 to the Financial Statements.

操作風險管理

操作風險是指由不完善或有問題的內部程序、人員、系統，以及外部事件所造成損失的風險。操作風險隱藏於業務操作的各個環節，是本集團在日常操作活動中面對的風險。

Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and system, or from external events. The risk is inherent in every aspect of business operations and confronted by the Group in its day-to-day operational activities.

2. 風險管理（續）　2. Risk management (continued)

操作風險管理（續）

本集團實施操作風險管理「三道防線」體系：所有部門或功能單位為第一道防線，是操作風險管理的第一責任人，通過自我評估與自我提升來履行業務經營過程中自我風險控制職能。法律合規與操作風險管理部連同一些與操作風險管理相關的專門職能單位包括人力資源部、公司服務部、防範金融犯罪部、財務管理部、司庫與會計部（統稱為「專門職能單位」）為第二道防線，負責評估和監控第一道防線操作風險狀況，對其工作提供指導。獨立於業務單位的法律合規與操作風險管理部，負責協助管理層管理本集團的操作風險，包括制定和重檢操作風險管理政策和框架、設計操作風險的管理工具和匯報機制、評估及向管理層和風險委員會匯報總體操作風險狀況；專門職能單位對操作風險的一些特定的範疇或與其相關事項，履行第二道防線的牽頭管理責任，除負責本單位操作風險管理外，亦須就指定的操作風險管理範疇向其他單位提供專業意見／培訓並履行集團整體的操作風險牽頭管理。集團審計為第三道防線，對操作風險管理框架的有效性與充足性作獨立評估，需定期稽查本集團各部門或功能單位操作風險管理工作的合規性和有效性，並提出整改意見。

Operational risk management (continued)

The Group has implemented the “Three Lines of Defence” for its operational risk management. All departments or functional units as the first line of defence are the first parties responsible for operational risk management, and carry out the duties and functions of self risk control in the process of business operation through self assessment and self enhancement. The Legal & Compliance and Operational Risk Management Department (“LCO”), together with certain specialist functional units in relation to operational risk management within the Group, including the Human Resources Department, Corporate Services Department, Financial Crime Compliance Department, Financial Management Department, Treasury and General Accounting & Accounting Policy Department (collectively known as “specialist functional units”), are the second line of defence. They are responsible for assessing and monitoring the operational risk conditions in the first line of defence, and providing them with guidance. The LCO, being independent from the business units, is responsible for assisting the Management in managing the Group’s operational risk, including the establishment and review of the operational risk management policy and framework, designing the operational risk management tools and reporting mechanism, and assessing and reporting the overall operational risk position to the Management and RMC. Specialist functional units are required to carry out their managerial duties of the second line of defence with respect to some specific aspects of operational risk and its related issues. Besides taking charge of operational risk management in their own units, these units are also required to provide other units with professional advice/training in respect of certain operational risk categories and to lead the group-wide operational risk management. Group Audit is the third line of defence which provides independent assessment to the effectiveness and adequacy of the operational risk management framework and is required to conduct periodic audit of the operational risk management activities of various departments or functional units within the Group regarding their compliance and effectiveness and to put forward recommendations for remedial actions.

2. 風險管理（續） 2. Risk management (continued)

操作風險管理（續）

本集團建立了有效的內部控制程序，對所有重大活動訂下政策及監控措施。設置適當的職責分工和授權乃本集團緊守的基本原則。本集團採用關鍵風險指標、自我評估、操作風險事件匯報及檢查等不同的操作風險管理工具或方法來識別、評估、監察及控制潛在於業務活動及產品內的風險，同時透過購買保險將未能預見的操作風險減低。對支援緊急或災難事件時的業務運作備有持續業務運作計劃，並維持充足的後備設施及定期進行演練。

Operational risk management (continued)

The Group has put in place an effective internal control process which requires the establishment of policies and control procedures for all the key activities. The Group adheres to the fundamental principle of proper segregation of duties and authorisation. The Group adopts various operational risk management tools or methodologies such as key risk indicators, self-assessment, operational risk events reporting and review to identify, assess, monitor and control the risks inherent in business activities and products, as well as purchase of insurance to mitigate unforeseeable operational risks. Business continuity plans are established to support business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

信譽風險管理

信譽風險是指因與本集團業務經營有關的負面報導（不論是否屬實），可能引致客戶基礎縮小、成本高昂的訴訟或收入減少等風險。信譽風險隱藏於其他風險及各業務運作環節，涉及層面廣泛。

為減低信譽風險，本集團制定並遵循信譽風險管理政策。此政策的目的是當信譽風險事件發生時本集團能夠盡早識別和積極防範。鑒於信譽風險往往是由各種可能令公眾對本集團信任受損的操作及策略失誤所引發，本集團建立關鍵控制自我評估機制包括相關風險評估工具，以評估各主要風險可能對本集團造成的嚴重影響，包括對本集團信譽的損害程度。

Reputation risk management

Reputation risk is the risk that negative publicity about the Group's business practices, whether genuine or not, will cause a potential decline in the customer base, or lead to costly litigation or revenue decrease. Reputation risk is inherent in other types of risk and every aspect of business operation and covers a wide spectrum of issues.

In order to mitigate reputation risk, the Group has formulated and duly followed its Reputation Risk Management Policy. The policy aims to identify and prevent reputation risk proactively at an early stage when an incident occurs. Since reputation risk is often caused by various types of operational and strategic issues that negatively impact the trust and perception of the Group, all operational and key risks identified are assessed through the established Key Control Self-Assessment framework, including risk assessment tools, to evaluate the severity of their impact on the Group, including the damage to reputation.

2. 風險管理（續）

2. Risk management (continued)

信譽風險管理（續）

此外，本集團建立完善機制持續監測金融界所發生的信譽風險事件，以有效管理、控制及減低信譽風險事件的潛在負面影響。本集團亦借助健全有效機制及時向利益相關者披露信息，由此建立公眾信心及樹立本集團良好公眾形象。

Reputation risk management (continued)

In addition, the Group has put in place a comprehensive framework to continuously monitor reputation risk incidents in the financial industry. This continuous monitoring enables the Group to effectively manage, control and mitigate any potential adverse impact from an incident. The Group also adopts robust disclosure practices to keep our stakeholders informed at all times, which helps build confidence in the Group and establish a strong public image.

法律及合規風險管理

法律風險是指因不可執行合約、訴訟或不利判決而可能使本集團運作或財務狀況出現混亂或負面影響的風險。合規風險是指因未有遵守適用法例及規則，而可能導致本集團需承受遭法律或監管機構制裁、引致財務損失或信譽損失的風險。法律及合規風險由法律合規與操作風險管理部管理，而關於洗錢、恐怖分子資金籌集、欺詐與貪腐風險則由防範金融犯罪部負責作獨立管理及監控。法律合規與操作風險管理部及防範金融犯罪部均直接向副總裁匯報。法律合規風險管理政策，以及防洗錢、反恐怖分子資金籌集及防範金融犯罪合規風險管理政策是集團公司治理架構的組成部分，由董事會屬下的風險管理委員會審批。

Legal and compliance risk management

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial losses or losses in reputation the Group may suffer as a result of its failure to comply with applicable laws and regulations. Legal and compliance risks are managed by the LCO, while the risks related to money laundering, terrorist financing, fraud, bribery and corruption are independently managed and monitored by the Financial Crime Compliance Department (“FCC”). Both LCO and FCC report directly to the DCE. As part of the Group’s corporate governance framework, the policies for the management of legal and compliance risks, and money laundering, terrorist financing and financial crime compliance risks are approved by the RMC as delegated by the Board.

未經審計之補充財務資料（續） Unaudited Supplementary Financial Information (continued)

2. 風險管理（續） 2. Risk management (continued)

策略風險管理

策略風險指本集團在實施各項策略，包括宏觀戰略與政策，以及為執行戰略與政策而制訂各項具體的計劃、方案和制度時，由於在策略制訂、實施及調整過程中失當，從而使本集團的盈利、資本、信譽或市場地位受到影響的風險。董事會檢討和審批策略風險管理政策。重點戰略事項均得到高層管理人員與董事會的充分評估與適當的審批。

本集團會因應最新市場情況及發展，定期檢討業務策略。

Strategic risk management

Strategic risk generally refers to the risks that may cause current or future negative impacts on the earnings, or capital or reputation or market position of the Group because of poor business decisions, improper implementation of strategies and inadequacies in the response to the changing market condition. The Board reviews and approves the strategic risk management policy. Key strategic issues have to be fully evaluated and properly endorsed by the senior management and the Board.

The Group regularly reviews its business strategies to cope with the latest market situation and developments.

資本管理

本集團資本管理的主要目標是維持與集團整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。資產負債管理委員會定期檢討本集團資本結構，並在需要時進行調整以保持風險、回報與資本充足性的最佳平衡。

為符合金管局監管政策手冊「監管審查程序」內的要求，本集團採用內部資本充足評估程序並每年作出重檢。按金管局對第二支柱的指引，內部資本充足評估程序主要用以評估在第一支柱下未有涵蓋或充分涵蓋的重大風險所需的額外資本，從而設定本集團最低普通股權一級資本比率、最低一級資本比率及最低總資本比率。同時，本集團亦就前述的資本比率設定了運作區間，以支持業務發展需要及促進資本的有效運用。

Capital management

The major objective of the Group’s capital management is to maximise total shareholders’ return while maintaining a capital adequacy position in relation to the Group’s overall risk profile. The ALCO periodically reviews the Group’s capital structure and adjusts the capital mix where appropriate to maintain an optimal balance among risk, return and capital adequacy.

To comply with the HKMA’s requirements as stated in the Supervisory Policy Manual “Supervisory Review Process”, the Group adopts the internal capital adequacy assessment process (“ICAAP”) and reviews it annually. Based on the HKMA’s guidelines on Pillar II, ICAAP has been initiated to assess the extra capital needed to cover the material risks not captured or not adequately captured under Pillar I, and therefore minimum Common Equity Tier 1 capital ratio, minimum Tier 1 capital ratio and minimum Total capital ratio are determined. Meanwhile, operating ranges for the aforementioned capital ratios have also been established which enable the flexibility for future business growth and efficiency of capital utilisation.

2. 風險管理（續）　2. Risk management (continued)

壓力測試

本集團以壓力測試輔助各項風險的分析工作。壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇變化並產生極端不利的經營環境時銀行風險暴露的情況。本集團內各風險管理單位按金管局監管政策手冊「壓力測試」內的原則，定期進行壓力測試。資產負債管理委員會根據風險委員會批准的主要風險限額，對壓力測試的結果進行監控，財務管理部定期向董事會及風險委員會匯報本集團的綜合測試結果。

Stress testing

The Group supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis by the Group's various risk management units in accordance with the principles stated in the Supervisory Policy Manual "Stress-testing" published by the HKMA. The ALCO monitors the results against the key risk limits approved by the RMC. The Financial Management Department reports the combined stress test results of the Group to the Board and RMC regularly.

附錄 Appendix

本銀行之附屬公司 Subsidiaries of the Bank

附屬公司的具體情況如下： The particulars of subsidiaries are as follows:

名稱 Name	註冊／營業地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀信用卡（國際）有限公司 BOC Credit Card (International) Limited	香港 1980 年 9 月 9 日 Hong Kong 9 September 1980	565,000,000 港元 HK$565,000,000	100.00%	信用卡服務 Credit card services
中銀集團信託人有限公司 BOC Group Trustee Company Limited	香港 1997 年 12 月 1 日 Hong Kong 1 December 1997	200,000,000 港元 HK$200,000,000	66.00%	信託服務 Trustee services
中銀國際英國保誠信託有限公司 BOCI-Prudential Trustee Limited	香港 1999 年 10 月 11 日 Hong Kong 11 October 1999	300,000,000 港元 HK$300,000,000	42.24%*	信託服務 Trustee services
馬來西亞中國銀行 Bank of China (Malaysia) Berhad	馬來西亞 2000 年 4 月 14 日 Malaysia 14 April 2000	760,518,480 馬來西亞林吉特 RM760,518,480	100.00%	銀行業務 Banking business
China Bridge (Malaysia) Sdn. Bhd.	馬來西亞 2009 年 4 月 24 日 Malaysia 24 April 2009	1,000,000 馬來西亞林吉特 RM1,000,000	100.00%	受理中國簽證 China visa application
中國銀行（泰國）股份有限公司 Bank of China (Thai) Public Company Limited	泰國 2014 年 4 月 1 日 Thailand 1 April 2014	10,000,000,000 泰銖 Baht10,000,000,000	100.00%	銀行業務 Banking business
中國銀行（香港）代理人有限公司 Bank of China (Hong Kong) Nominees Limited	香港 1985 年 10 月 1 日 Hong Kong 1 October 1985	2 港元 HK$2	100.00%	代理人服務 Nominee services
中國銀行（香港）信託有限公司 Bank of China (Hong Kong) Trustees Limited	香港 1987 年 11 月 6 日 Hong Kong 6 November 1987	3,000,000 港元 HK$3,000,000	100.00%	信託及代理服務 Trustee and agency services
中銀金融服務（南寧）有限公司** BOC Financial Services (Nanning) Company Limited**	中國 2019 年 2 月 19 日 PRC 19 February 2019	註冊資本 60,000,000 港元 Registered capital HK$60,000,000	100.00%	金融營運服務 Financial operational services
中銀信息科技（深圳）有限公司** BOCHK Information Technology (Shenzhen) Co., Ltd.**	中國 1990 年 4 月 16 日 PRC 16 April 1990	註冊資本 70,000,000 港元 Registered capital HK$70,000,000	100.00%	物業持有 Property holding

附錄（續） Appendix (continued)

本銀行之附屬公司（續） Subsidiaries of the Bank (continued)

名稱 Name	註冊／營業 地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀信息技術服務（深圳）有限公司** BOCHK Information Technology Services (Shenzhen) Co., Ltd.**	中國 1993 年 5 月 26 日 PRC 26 May 1993	註冊資本 40,000,000 港元 Registered capital HK$40,000,000	100.00%	信息技術服務 Information technology services
浙興（代理人）有限公司 Che Hsing (Nominees) Limited	香港 1980 年 4 月 23 日 Hong Kong 23 April 1980	10,000 港元 HK$10,000	100.00%	代理人服務 Nominee services
寶生金融投資服務有限公司 Po Sang Financial Investment Services Company Limited	香港 1980 年 9 月 23 日 Hong Kong 23 September 1980	335,000,000 港元 HK$335,000,000	100.00%	黃金買賣及投資控股 Gold trading and investment holding
寶生證券及期貨有限公司 Po Sang Securities and Futures Limited	香港 1993 年 10 月 19 日 Hong Kong 19 October 1993	335,000,000 港元 HK$335,000,000	100.00%	證券及期貨業務 Securities and futures brokerage
新華信託有限公司 Sin Hua Trustee Limited	香港 1978 年 10 月 27 日 Hong Kong 27 October 1978	3,000,000 港元 HK$3,000,000	100.00%	信託服務 Trustee services
Billion Express Development Inc.	英屬維爾京群島 2014 年 2 月 7 日 British Virgin Islands 7 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Billion Orient Holdings Ltd.	英屬維爾京群島 2014 年 2 月 3 日 British Virgin Islands 3 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Elite Bond Investments Ltd.	英屬維爾京群島 2014 年 2 月 7 日 British Virgin Islands 7 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Express Capital Enterprise Inc.	英屬維爾京群島 2014 年 2 月 3 日 British Virgin Islands 3 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Express Charm Holdings Corp.	英屬維爾京群島 2014 年 2 月 7 日 British Virgin Islands 7 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Express Shine Assets Holdings Corp.	英屬維爾京群島 2014 年 1 月 3 日 British Virgin Islands 3 January 2014	1 美元 US$1	100.00%	投資控股 Investment holding

附錄（續） Appendix (continued)

本銀行之附屬公司（續） Subsidiaries of the Bank (continued)

名稱 Name	註冊／營業 地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
Express Talent Investment Ltd.	英屬維爾京群島 2014 年 2 月 13 日 British Virgin Islands 13 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Gold Medal Capital Inc.	英屬維爾京群島 2014 年 1 月 3 日 British Virgin Islands 3 January 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Gold Tap Enterprises Inc.	英屬維爾京群島 2014 年 2 月 13 日 British Virgin Islands 13 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Maxi Success Holdings Ltd.	英屬維爾京群島 2014 年 2 月 7 日 British Virgin Islands 7 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Smart Linkage Holdings Inc.	英屬維爾京群島 2014 年 2 月 13 日 British Virgin Islands 13 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Smart Union Capital Investments Ltd.	英屬維爾京群島 2014 年 1 月 3 日 British Virgin Islands 3 January 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Success Trend Development Ltd.	英屬維爾京群島 2014 年 2 月 18 日 British Virgin Islands 18 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding
Wise Key Enterprises Corp.	英屬維爾京群島 2014 年 2 月 18 日 British Virgin Islands 18 February 2014	1 美元 US$1	100.00%	投資控股 Investment holding

* 中銀國際英國保誠信託有限公司為本銀行屬下一家非全資附屬公司的附屬公司，憑藉本銀行對該公司的控制權，該公司被視為本銀行的附屬公司。

* BOCI-Prudential Trustee Limited is a subsidiary of a non-wholly-owned subsidiary of the Bank and, accordingly, is accounted for as a subsidiary by virtue of the Bank's control over it.

** 在中國註冊的有限責任公司。

** It is registered as limited liability company in the PRC.

新僑企業有限公司已於 2020 年 12 月 28 日正式解散。

Sin Chiao Enterprises Corporation, Limited was dissolved on 28 December 2020.

中銀香港金融產品（開曼）有限公司已於 2020 年 12 月 29 日正式解散。

BOCHK Financial Products (Cayman) Ltd. was dissolved on 29 December 2020.

浙興（代理人）有限公司已於 2021 年 2 月 16 日正式解散。

Che Hsing (Nominees) Limited was dissolved on 16 February 2021.

釋義

在本年報中，除非文義另有所指，否則下列詞彙具有以下涵義：

詞彙	**涵義**
「中國銀行」	中國銀行股份有限公司，一家根據中國法例成立之商業銀行及股份制有限責任公司，其 H 股及 A 股股份分別於香港聯交所及上海證券交易所掛牌上市
「中銀香港（控股）」	中銀香港（控股）有限公司，根據香港法例註冊成立之公司
「中銀香港」或「本銀行」	中國銀行（香港）有限公司，根據香港法例註冊成立之公司，並為中銀香港（控股）有限公司之全資附屬公司
「中銀馬來西亞」	馬來西亞中國銀行，為中銀香港之全資附屬公司
「中銀泰國」	中國銀行（泰國）股份有限公司，為中銀香港之全資附屬公司
「董事會」	本銀行的董事會
「中投」	中國投資有限責任公司
「匯金」	中央匯金投資有限責任公司
「金管局」	香港金融管理局
「香港」	中華人民共和國香港特別行政區
「上市規則」	香港聯合交易所有限公司證券上市規則
「強積金」	強制性公積金
「強積金條例」	強制性公積金計劃條例，香港法例第 485 章（修訂）

釋義（續）

詞彙	**涵義**
「標準普爾」	標準普爾評級服務
「聯交所」或「香港聯交所」	香港聯合交易所有限公司
「本集團」	本銀行及其附屬公司
「風險值」	風險持倉涉險值

Definitions

In this Annual Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Terms	Meanings
"ALCO"	the Asset and Liability Management Committee
"AT1"	Additional Tier 1
"ATM"	Automated Teller Machine
"BOC"	Bank of China Limited, a joint stock commercial bank with limited liability established under the laws of the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"BOCHK (Holdings)"	BOC Hong Kong (Holdings) Limited, a company incorporated under the laws of Hong Kong
"BOCHK" or "the Bank"	Bank of China (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited
"BOCI-Prudential Asset Management"	BOCI-Prudential Asset Management Limited, a company incorporated under the laws of Hong Kong, in which BOCI Asset Management Limited, a wholly-owned subsidiary of BOC International Holdings Limited, and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
"BOCI-Prudential Trustee"	BOCI-Prudential Trustee Limited, a company incorporated under the laws of Hong Kong, in which BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
"BOC Malaysia"	Bank of China (Malaysia) Berhad, a wholly-owned subsidiary of BOCHK
"BOC Thailand"	Bank of China (Thai) Public Company Limited, a wholly-owned subsidiary of BOCHK
"Board" or "Board of Directors"	the Board of Directors of the Bank
"CE"	Chief Executive
"CET1"	Common Equity Tier 1
"CFO"	Chief Financial Officer
"CIC"	China Investment Corporation
"CRO"	Chief Risk Officer
"CVA"	Credit Valuation Adjustment

Definitions (continued)

Terms	Meanings
"Central Huijin"	Central Huijin Investment Ltd.
"DCE"	Deputy Chief Executive
"DVA"	Debit Valuation Adjustment
"ECL"	Expected Credit Loss
"EV"	Economic Value Sensitivity Ratio
"FCC"	the Financial Crime Compliance Department
"FIRB"	Foundation Internal Ratings-based
"FVOCI"	Fair value through other comprehensive income
"FVPL"	Fair value through profit or loss
"HKAS"	Hong Kong Accounting Standard
"HKFRS"	Hong Kong Financial Reporting Standard
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HKMA"	Hong Kong Monetary Authority
"Hong Kong" or "Hong Kong SAR"	Hong Kong Special Administrative Region of the PRC
"IBOR reform"	Interest Rate Benchmark reform
"ICAAP"	Internal Capital Adequacy Assessment Process
"IMM"	Internal Models
"IT"	Information Technology
"LCO"	the Legal & Compliance and Operational Risk Management Department
"LCR"	Liquidity Coverage Ratio
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

Definitions (continued)

Terms	Meanings
"MC"	the Management Committee
"MCO"	Maximum Cumulative Cash Outflow
"MPF"	Mandatory Provident Fund
"MPF Schemes Ordinance"	the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the Laws of Hong Kong, as amended
"N/A"	Not applicable
"NII"	Net Interest Income Sensitivity Ratio
"NSFR"	Net Stable Funding Ratio
"ORSO schemes"	the Occupational Retirement Schemes under Occupational Retirement Schemes Ordinance, Chapter 426 of the Laws of Hong Kong
"OTC"	Over-the-counter
"PRC"	the People's Republic of China
"PVBP"	Price Value of a Basis Point
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"RMC"	the Risk Committee
"RMD"	the Risk Management Department
"RWA"	Risk-weighted Assets
"SME"	Small and Medium-sized Enterprise
"STC"	Standardised (Credit Risk)
"STM"	Standardised (Market Risk)
"STO"	Standardised (Operational Risk)
"Standard & Poor's"	Standard & Poor's Ratings Services
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"the Group"	the Bank and its subsidiaries collectively referred as the Group
"US"	the United States of America
"VaR"	Value at Risk

中國銀行(香港)有限公司
BANK OF CHINA (HONG KONG) LIMITED

中銀香港
可持續發展